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# HEARING ON FEE DEMONSTRATION PROGRAMS—SUCCESSES AND FAILURES

## HEARING

BEFORE THE

SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS

OF THE

COMMITTEE ON RESOURCES
HOUSE OF REPRESENTATIVES

ONE HUNDRED FIFTH CONGRESS

SECOND SESSION

FEBRUARY 26, 1998, WASHINGTON, DC

**Serial No. 105–73**

Printed for the use of the Committee on Resources

U.S. GOVERNMENT PRINTING OFFICE
47–404 CC WASHINGTON : 1998

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# HEARING ON FEE DEMONSTRATION PROGRAMS—SUCCESSES AND FAILURES

**THURSDAY, FEBRUARY 26, 1998**

HOUSE OF REPRESENTATIVES, SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS, COMMITTEE ON RESOURCES, *Washington, DC.*

The Subcommittee met, pursuant to notice, at 10 a.m., in room 132, Longworth House Office Building, Hon. James V. Hansen (chairman of the Subcommittee) presiding.

## STATEMENT OF HON. JAMES V. HANSEN, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF UTAH

Mr. HANSEN. [presiding] I've scheduled this hearing today to continue the longstanding involvement of the members of this Subcommittee in examining the issues of recreation fees on Federal lands.

As many of you are aware, this Subcommittee held several hearings on recreation fee proposals during the first session of the 10th Congress. Several members of the Subcommittee and several of the witnesses today will have fond memories of our discussion during 1995. However, today we will review the successes and failures of the recreational fee demonstration program that the Congress authorized in the Omnibus Consolidation Rescissions Act of 1996 and amended in subsequent legislation during fiscal year 1997 and fiscal year 1998.

Currently, this recreational fee demonstration program authorizes the National Park Service, U.S. Fish and Wildlife Service, and Bureau of Land Management, and the Forest Service to establish fee collection programs at up to 100 sites for each agency. The fee demonstration program allows these agencies to retain 80 percent of the fee at the collecting unit, and the remaining 20 percent is available to the collecting agency at management discretion.

The agencies are collecting a variety of entrance and user fees to test the feasibility of user-generated cost recovery for operation and maintenance costs, and to address the backlog repair and maintenance of infrastructure. The fees are also being used for interpretation, facility enhancement, and resource management projects. However, I am concerned that some fees are being spent on items that do not fit within these areas.

I am pleased to note that, generally, public awareness and acceptance of the fee demonstration program has been positive. I have long held the view that if the fees are fair and reasonable, and the funds are retained at the site to enhance the visitor experience, that the American public will support a fee program. How-

ever, we will hear testimony today that will show that not all of the public is totally convinced of the rationale for charging cost-recovery fees on the public lands.

This hearing will serve to provide necessary information for this Subcommittee to consider legislation that would provide permanent authorization for the recreational fee demonstration program under the Land and Water Conservation Act of 1965. I believe that the recreational fee program is the most fair and realistic way to address the backlog problems of the Federal land used by the American people. I fully realize there's some problems with the current recreation fee program; however, this hearing will help us to make decisions that will correct these deficiencies, explain this program to the public, and enhance outdoor recreation experiences for everyone. I look forward to the testimony we will receive today, and appreciate the efforts of all of you to be present and express your views on this important program.

I hope you folks realize there's a dozen hearings going on all over the Hill, most of them on CIA and Iraq and things such as that, so it's, I don't know why, but anyway you will see members dribble in and out, and I apologize that not everyone's here right now, but I've been assured that many will come. Normally, at usual congressional time, which is twenty minutes after we start.

With that in mind, I am very happy to recognize, I'd recognize the gentlelady, but I don't know if she wants to be recognized right now. I'll then turn to—see, I told you they'd all start coming. We'll start then with the Honorable Wally Herger, the gentleman from California who works so diligently on these programs. It's always a pleasure to have you, Mr. Herger. We'll turn the time to you, sir.

## STATEMENT OF HON. WALLY HERGER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. HERGER. Thank you very much, Mr. Chairman, and I do appreciate the opportunity to speak today regarding the fee demonstration program currently being implemented by our National Park Service and our United States Forest Service. I represent all or part of nine national forests, and one national park, and one national recreation area. The fee demonstration program is severely impacting the people of my district. I am strongly opposed to any extension or continuation of this program for three main reasons.

First, this program is another unnecessary tax on families who are already overburdened by taxes. Second, the fee program places additional burden on recreational access and as a result is highly detrimental to local economies, such as mine in Northern California, which are dependent on tourism and recreation. And third, this fee program only perpetuates misuse of existing funding and natural resources by land management agencies.

First issue of the tax burden. In 1997, Federal, State, and local taxes combined are projected to claim 38.2 percent of the median income of two-earner families—up from 37.3 percent in 1996. This means families are now taxed at a level higher than any other time in our Nation's history, excluding the years of 1944 and 1945, during World War II. Imposing an additional tax burden in the form of fees on the already overburdened American family is considered unconscionable.

One unintended and unfortunate result of this tax is that the average American family may no longer be able to afford a visit to our national parks and forests. Families who once simply drove through these areas now have an added financial burden. The impact of fewer citizens visiting our National parks and forests would negatively impact local economies. Imposing fees is not the answer.

At the heart of this issues are Federal agencies that have mismanaged their funding. These agencies claim significant backlogs in maintenance and upkeep for basic services, while continuing to receive annual appropriations that are not adequately accounted for. For example, according to a report by the General Accounting Office and the Department of Interior's Inspector General, the National Park Service lacks (1) necessary financial and program data on its operations; (2) adequate internal controls on how its funds are spent; and (3) that the agency lacks performance measures on what is being accomplished with the money being spent.

Mr. Chairman, our Nation's recreational needs will not be met by throwing more money into the Federal Government's insatiable hands. Before we give the National Park Service or the United States Forest Service a permanent, revenue-generating program such as the fee demonstration program, we should require a proper accounting for the resources already at their disposal.

In closing, Mr. Chairman, from my firsthand experience, this program is not working. There has been a substantial amount of animosity generated by local communities who have had to deal with implementation of this program. This ill-conceived program needs to be discontinued. Again, I want to thank the Subcommittee for hearing my testimony, and I request that when this Subcommittee takes up any action on this issue, it will consider the negative impact suffered by local communities such as mine. Thank you.

[The prepared statement of Mr. Herger follows:]

STATEMENT OF HON. WALLY HERGER, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF CALIFORNIA

Mr. Chairman, members of the Subcommittee, I would like to thank you for the opportunity to speak today regarding the fee demonstration program currently being implemented by our National Park Service and our United States Forest Service. I represent all or part of nine national forests, one national park, and one national recreation area. The fee demonstration program is severely impacting the people of my district. I am strongly opposed to any extension or continuation of this program for three main reasons: first this program is another, unnecessary tax on families who are already over-burdened by taxes; second the fee program places additional burdens on recreational access and as a result is highly detrimental to local economies, such as mine in northern California, which are dependent on tourism and recreation; and third, this fee program only perpetuates misuse of existing funding and natural resources by land management agencies.

First the issue of the tax burden. In 1997 Federal, state and local taxes combined are projected to claim 38.2 percent of the median income two-earner family, up from 37.3 percent in 1996. This means families are now taxed at a level higher than any other time in our history, excluding the years of 1944 and 1945 during World War II. Imposing an additional tax burden in the form of fees on the already overburdened American family is considered unconscionable. One unintended and unfortunate result of this tax is that the average American family may no longer be able to afford a visit to our national parks and forests. Families who once simply drove through these areas, now have an added financial burden. The impact of fewer citizens visiting our national parks and forests would negatively impact local economies.

Imposing fees is not the answer. At the heart of this issue are Federal agencies that have mismanaged their funding. These agencies claim significant backlogs in maintenance and upkeep for basic services while continuing to receive annual appropriations that are not adequately accounted for. For example, according to a report by the General Accounting Office and the Department of the Interior's Inspector General, the National Park Service lacks: 1. necessary financial and program data on its operations; 2. adequate internal controls on how its funds are spent; and 3. that the agency lacks performance measures on what is being accomplished with the money being spent.

Mr. Chairman, our nation's recreational needs will not be met by throwing more money into the Federal Government's insatiable hands. Before we give the National Park Service or the United States Forest Service a permanent revenue generating program such as the fee demonstration program we should require a proper accounting for the resources already at their disposal.

In closing, Mr. Chairman, from my first hand experience this program is not working. There has been a substantial amount of animosity generated by local communities who have had to deal with implementation of this program. This ill conceived program needs to be discontinued. Again I want to thank the Subcommittee for hearing my testimony and I request that when this Subcommittee takes up any action on this issue it will consider the negative impact suffered by local communities. Thank you.

Mr. HANSEN. Thank you, Mr. Herger. We appreciate you being with us, and if you stay with us just a minute, we may have some questions for you.

Let me state that we're very pleased to have Ralph Regula, the chairman of the Appropriations Committee of Interior with us. It's always a pleasure to have Ralph with us. We work very closely on matters pertaining to public lands, Interior issues. I'll turn to Mr. Regula for any statement he may have.

## STATEMENT OF HON. RALPH REGULA, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OHIO

Mr. REGULA. Thank you, Mr. Chairman. I don't have a formal statement, but I want to re-emphasize what Congressman Wally Herger said about accountability, and we've built that into the pilot programs. Accountability for the money that's collected and accountability for the management. This was instituted as part of our Appropriations Committee, as a demonstration as to what could be done. Not all units are using the fee program, but I will say that in talking with people that have both experienced paying the relatively small fees, as well as the superintendents and managers of our recreation systems in the parks, forests, and Fish and Wildlife Service, and BLM, that I get very positive reaction. A little footnote to it is that they find that vandalism is down, lessened because people, when they pay a little bit, have a stake in the facility. Visitation is up, so I don't believe people are being restricted in usage.

I know that the parks have worked out an arrangement for local folks that are in and out for various reasons, working there, or delivering materials, that they don't pay, they get a sticker. This is a pilot, or an experimental program, and the effort is being made to get the bugs out of it and make it work well. And we've made it clear in the appropriations process that we don't see this as a substitute for annual appropriations, but rather as a supplement to deal with the maintenance backlog. For example, I believe in Yellowstone, they're going to use some of their money to replace the sewer system, along with what we appropriate, to enhance the visitor experience by doing things that they normally couldn't do. And

there is a high level of enthusiasm on the part of the managers, simply because of what they are able to do.

As I say, it's not a substitute for the appropriations process, and I think that the way it's being worked in the various parks and forests now demonstrates that there is merit to a program of this type. I commend you, Mr. Chairman, for having a hearing and looking at this program and the pluses and minuses of what we've experienced in the past 2 years under the program to see what should be done, if anything, on a permanent basis. Because I think it does have a potential for giving people a sense of participation in the park responsibilities, as well as providing some additional funds to substantially enhance the visitor experience. And I believe there are a lot of pluses to it based on my conversations with people as I visit parks, and with the superintendents or the managers. There's a pretty positive reaction, all up and down the line. And I'm as interested in your comments, Mr. Herger. I think probably some of those concerns would be addressed in permanent legislation. And I thank you, Mr. Chairman.

[The prepared statement of Mr. Regula follows:]

The Hon. Ralph Regula,
*Chairman, Subcommittee on Interior and Related Agencies,*
*Committee on Appropriations,*
*House of Representatives,*
*Washington, DC.*

DEAR MR. CHAIRMAN:

On behalf of the Departments of the Interior and Agriculture, we express our appreciation for the opportunity to improve our recreation resources through the Recreational Fee Demonstration Program authorized by section 315 of the fiscal year 1996 Interior and Related Agencies Appropriations Act. Attached is a joint progress report on the status of the program, submitted by the Departments of the Interior and Agriculture on behalf of the National Park Service, Fish and Wildlife Service, Bureau of Land Management, and Forest Service. This report summarizes the most recent information on visitation, revenues, and management issues that have arisen during initial implementation of the Recreational Fee Demonstration Program.

We are pleased to inform you that visitor response to the new fees has been generally positive. We increased revenues substantially during the first year, and began the long process of reducing our maintenance backlogs. The program represents a significant step toward improving visitor services and facilities for those who recreate on public lands.

The agencies agree that long-term implementation of this effort is desirable. We will work with Congress to design a program that builds upon our positive experience in implementing the demonstration effort. Such a program should provide flexibility for designing fees tailored to specific situations, embody strong incentives for agencies to collect recreation fees, and provide assurance to the public that a majority of revenues raised will benefit the site where fees are collected. To that end, we will be pleased to submit draft legislation during the coming year and to work closely with your staff. However, we do believe that permanent authority should not take effect until after the current temporary authority expires at the end of fiscal year 1999.

A similar letter is being sent to Sidney R. Yates, Ranking Minority Member, Subcommittee on Interior and Related Agencies, Committee on Appropriations, House of Representatives, the Honorable Slade Gorton, Chairman, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. Senate, and the Hon-

orable Robert C. Byrd, Ranking Minority Member, Subcommittee on Interior and Related Agencies, Committee on Appropriations, U.S. Senate.

Sincerely,

JOHN BERRY,
*Assistant Secretary,*
*Policy, Management and Budget*
*Department of the Interior*

JAMES LYONS,
*Under Secretary for Natural Resources*
*and Environment,*
*Department of Agriculture*

Mr. HANSEN. Thank you, Mr. Regula. Ms. Smith, do you have any statements or comments to Mr. Herger?

Mrs. LINDA SMITH OF WASHINGTON. To begin with, I've got two different groups. We have people who live close to the sites who have used those properties for many, many years for picking berries, for hiking around the Mt. Saint Helens site, which was obviously a volcano and now restored. And so we're not finding a lot of complaint, except for some of the families' having to pay 20 more dollars a year per member, and we are in an area of very large families, and a lot of stay-home moms. And it is very difficult. It appears that if we could have something for those closer. It is not just those distributing things into the site. It's those that live across the street. It's like you have to, where you used to go play and climb and hike, now you're charged. That's pretty steep for them—not for all families, but it certainly is for a significant number. And if we could find some way to get the Park Service to do something with the families that are real close, that would probably satisfy most of the complaints that I'm getting. Because I'm only getting them from those people. So if the Chairman could consider that, and possibly—both chairmen.

Mr. HANSEN. Thank you. Mr. Vento? Mr. DeFazio?

Mr. DEFAZIO. Thank you, Mr. Chairman. Mr. Herger, I'll address the question to you and then have a comment. You know, this legislation was authorized by the 19, well first we had the Consolidated Rescissions and Appropriations Act of 1996, Public Law 104–134. How would you vote on that?

Mr. HERGER. Well, my understanding——

Mr. DEFAZIO. Well, did you vote for or against the bill? I'm just curious.

Mr. HERGER. This was part of a large bill.

Mr. DEFAZIO. Right, but——

Mr. HERGER. Of which I voted for.

Mr. DEFAZIO. So you voted for the bill, but you were against this part of it.

Mr. HERGER. That's correct.

Mr. DEFAZIO. Correct, OK.

Mr. HERGER. And my experience has been one that's been very much in the same line of Mrs. Smith.

Mr. DEFAZIO. All right.

Mr. HERGER. Except I could put many exclamation marks. The local people, I can tell you, are incensed with this. I have probably had as many complaints on this one issue than I've had of anything I can recall in the 11 years I've been representing the area. And I would hope that at least we could look at——

Mr. DEFAZIO. OK——

Mr. HERGER. [continuing] as Mrs. Smith mentioned, doing something for the locals.

Mr. DEFAZIO. If I, if Mr. Herger, if I could——

Mr. HERGER. Yes.

Mr. DEFAZIO. [continuing] if I could reclaim my time, because I've got limited time. And then we had the 1998 Interior Appropriations Act, which extended it. Do you recall how you voted on that?

Mr. HERGER. Mr. DeFazio, all of these bills——

Mr. DEFAZIO. Well, but I mean, did you vote for that too?

Mr. HERGER. I——

Mr. DEFAZIO. OK, I voted it against it, you voted—OK. If I could reclaim my time—I have introduced legislation to repeal this and replace it with a modest charge on those who deplete minerals from Federal lands, a royalty charge, which is charged by all other owners of lands. Are you a co-sponsor of my bill to repeal it and replace this legislation with another form of fee?

Mr. HERGER. I believe I'd be very opposed to the latter——

Mr. DEFAZIO. OK, all right, well, Mr. Herger, I would suggest that, you know, you voted for it twice, even though it was part of other legislation. There is one bill pending to repeal it, which is mine, and you're not a sponsor of it. I guess I'm looking for a little consistency here. I, you know, I'm opposed. I heard, with great interest, that the chairman of the Appropriations Committee talked about reductions in vandalism. Actually, we have a totally new form of vandalism in my district, which is very significant removal and vandalism of the signs for the fee areas. It's a new kind of vandalism.

[Laughter.]

Mr. DEFAZIO. So, I haven't had the experience of reductions in vandalism. You know, the kind of complaints I get are similar to those that Mrs. Smith has received, and you have received, people particularly who live in or adjacent to the forests.

There was a precedent established in Oregon which may address their concerns and the Chairman may need to take this into account. In the Federal District Court in Oregon, you know, this doesn't just apply to parks. It applies to forests, you know; apparently, I don't know if there are any BLM lands doing it yet. It applies to beaches in Oregon, and some surfers who wanted to access a beach in Oregon on the other side of the Dunes National Recreation Area were ticketed for not having paid these fees, where they had no intention of using the trails. They just wanted to access the beach and surf, as they had done traditionally. They won in court. And it was found that they could not be ticketed or charged for that use.

I'm not exactly certain of all the principles in that case, but I think that may undermine this fee program in a number of areas, and I think that the Committee ought to be looking for other, and more fair, alternatives to this tax on individuals. It flies in the face of most of the things I've heard from the majority on the Republican Contract. I mean, this is a tax on individuals who want to use public lands and, you know, I, and it's, it is inconvenient for people who live in those areas. It is burdensome for people of low incomes that live in those rural areas. It's even, I've experienced it as a pain in the butt because I bought a sticker. I put it on one car. But

then I went backpacking and I took a different car, and I forgot, and I got all the way there, and then I had to drive back out again, find a place to buy one, slap it on my other car, and drive back in again. And I know that other people have had that, have had that happen.

I think this is something that should come out of general funds or some other source, and not through this program. And the reason we haven't had too many complaints, also, is that it hasn't been enforced. Wait until this year, when the Forest Service starts ticketing people for money, instead of courtesy tickets, if you want to see a firestorm of protest, and/or vandalism, and/or antagonism toward the government and Federal employees. Last year, people just got courtesy tickets saying you should have a ticket. But this year they're going to get tickets for real, and it's going to be a very unpleasant experience for the Forest Service employees in my district who are issuing those tickets. Thank you, Mr. Chairman.

Mr. HANSEN. The gentlemen from California, Mr. Gallegly. Do you have comments for Mr. Herger, or an opening statement?

Mr. GALLEGLY. Thank you very much, Mr. Chairman. And it's always a pleasure to have Wally here. Wally and I have been friends for a long time. In fact we were classmates in the 100th Congress together, and we've been through a lot of battles and wars together. I think that the comments relative to those that live in the proximity certainly deserve a lot of consideration. I think Linda Smith was right on point. However, I would say that for those who are driving their $100,000 mobile homes that go across the country, and go into a park a thousand miles from home, or 1,500 miles from home, to say they can't afford five dollars to help maintain the, the integrity of the public land, I think is a little bit disingenuous. But I do think that collectively we can work on this issue. But those that are immediately living in the area, I do think that we need to address that issue a little bit. But going across the country, I'm sorry. And I do appreciate the comments of Wally and look forward to working with him on this issue as well as many others.

Mr. HERGER. Thank you.

Mr. HANSEN. The gentlemen from Nevada has no opening statement. We'll appreciate the gentleman——

Mr. VENTO. Mr. Chairman, let me just comment if I could. I know you want to get going, and I'll just be brief.

Mr. HANSEN. The gentleman from Minnesota is recognized.

Mr. VENTO. [continuing] I wanted to be certain that Mr. DeFazio—Mr. Herger, I didn't see your statement in my file here, but I assume the concern was about Mt. Saint Helens?

Mr. HERGER. No, that wasn't——

Mr. VENTO. Well, that was——

Mr. GALLEGLY. That's a bit north of——

Mr. VENTO. OK, what is the, what was the unit that you were concerned about?

Mr. HERGER. Well, I——

Mr. VENTO. Was there a specific unit? Was it a Forest Service unit or a Park Service unit? Mt. Saint Helen, of course, was a, is a Forest Service unit.

Mr. HERGER. We have nine national forests within our district—the specific, where the strongest concerns have been around Mt. Shasta.

Mr. VENTO. Does it concern user fees, or does it concern entrance fees?

Mr. HERGER. It would be, I assume that would be, entrance fees.

Mr. VENTO. I assume it's user fees.

Mr. HERGER. They're fees that are paid at such time as they enter the park.

Mr. VENTO. Well, is it for a camping reservation, or what is the purpose of it? I mean, because——

Mr. HERGER. It's anything they do utilizing the water at, for example, Lake Shasta——

Mr. VENTO. Well, I don't want to—I mean the concern is, I think, that we've always had, the Forest Service has had, historically, authority for user fees as well as the Park Service. That would be for parking a car, for a campsite, you know, primitive and so——

Mr. HERGER. This is just for day use for going use and use, like, the water——

Mr. VENTO. Just an entrance fee, but I guess that's under the experiment. But we had authorized, I think, for BLM and for Forest Service some of the sites, you know, that are a basic monument or type of a visitor contact station, not just for entrance. And of course there's a big increase. I mean, the real question here is, you know we go to a film or something and it costs five, six, seven dollars to get into a film. You know, and you talk about people, you know. So they, you know, the issue here is, how do we sustain or support this. I appreciate your comments about those that live in close proximity, and there are, of course, accommodations where you can get an annual pass because you're going more often. It is inconvenient, it is obviously a—they're on the learning curve with regards to understanding that.

Mr. HERGER. But even on that point——

Mr. VENTO. Yes, sure——

Mr. HERGER. [continuing] even on an annual pass, say someone living in Redding, California would have to buy a pass for Lake Shasta and an additional pass for——

Mr. VENTO. Yes. Well, I think that——

Mr. HERGER. [continuing] the lake, which are all within, maybe three miles.

Mr. VENTO. Well, I appreciate that, because the Forest Service doesn't have a Golden Eagle, so to speak, as the Park Service. So that's something that needs to be, needs to be addressed.

Mr. HERGER. And I would like to urge the Committee, there are a number of issues of this type that I'd like to see us address. We attempted to address this point, Mrs. Smith brought it up, of perhaps having the local area, some type of discount for people who leave there.

Mr. VENTO. Well, they already—I mean, I think there are accommodations——

Mr. HERGER. They determined that was not constitutional to be able to do that——

Mr. VENTO. Yes, well, I think there probably is a better deal than that that probably they can get for going to five or six parks, in

terms of a Golden Eagle, or America the Beautiful, or some other type of pass that had been recommended previously. And this, of course, was an experiment, but there are in fact annual passes that permit any type, and there are even exemptions, of course, for those that need them. So there is a process set up, and obviously, as I said, everyone's on the learning curve with regard to this process.

But I think the fundamental issue is that, the consensus is that those that use or those that visit these areas ought to at least help in sustaining them. These fees, of course, will never sustain the type of costs for maintenance for the expense of these units. So I think we, especially with our friend Mr. Regula here, we have to obviously point out that we understand the dilemma that he faces, because if we cut these back, all we're doing is adding to the backlog of costs that we have both in the Forest and in the park, and the other public land units.

Thanks. Thanks, Wally.

Mr. HANSEN. The gentlemen from Montana, Mr. Hill. Do you have any opening statement? Gentlelady from Idaho, Mrs. Chenoweth, do you have an opening statement or comments for Mr. Herger?

**STATEMENT OF HON. HELEN CHENOWETH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF IDAHO**

Mrs. CHENOWETH. Mr. Chairman, I do have an opening statement.

Mr. HANSEN. The gentlelady is recognized.

Mrs. CHENOWETH. I'd like to thank you, Mr. Chairman, for holding this hearing on the recreational fee demonstration program, which we enacted last year. And normally I don't make an opening statement; I just submit it for the record. But I feel very strongly about this. As I was in the district last week, the issue of fees was something that I heard a lot about. So I commend you on holding this hearing now, and, and I do minimally support the concept of having users help contribute a minimal fee, specifically for recreational area improvement.

But ultimately, I would like to see recreationalists have the best experience possible on well maintained forest campgrounds, facilities, and trail. Very small fees can play a role in that effort, but I am especially interested in this issue because a couple of areas in Idaho, most significantly the Sawtooth National Recreational Area, has been chosen as test cases for this fee program.

However, I do have concerns about how this demonstration program has been implemented, serious concerns. Generally, I do not believe that agencies have done an adequate job selling the program to the public. The common complaint I have heard is that visitors have suddenly have had to pay a fee without knowing the reason why, and most people are not aware that these fees are to go directly to the upkeep and improvement of the specific area that they are visiting.

And, Mr. Chairman, I do believe that in our, our general fund budgeting that, to the degree fees are collected and kept within that forest, then I think that we ought to be able to save the general taxpayer money by, in a comparable manner, diminishing our

appropriations to the agency. Otherwise, we just have mounting of fees as well as a continued increase in our general funding.

And my second concern, which is that there have been no noticeable improvement to campgrounds, hiking trails, boat docks, restrooms, and many other facilities and amenities that serve the general public. If there have been changes, the agencies have not done a good job of letting the people know, because evidence shows there hasn't. Just as any charity soliciting funds, the Federal Government must actively promote the benefits of fees.

I am concerned also about what appears to be a case of double and even triple taxation that this program represents to some public lands users. In some States, there are already programs in place that collect a fee for improvements, especially the fee many off-road users pay in many States, such as the green-sticker program in California, and the OHV trail fund in Idaho is one such example. So we need to make sure that we're not double-charging these people, and that we're not negatively impacting our counties and the tourism industry that so many of our States and counties have learned to lean upon with the diminishment of active natural resource industries being fees from them, and resources from them, being made available to the counties.

And with that, Mr. Chairman, again I want to thank you very much for holding this hearing.

Mr. HANSEN. I thank the gentlelady from Idaho. That takes care of the opening part.

Mr. Herger, you're more than welcome to join us on the dais. We appreciate having you with us, if you have the time to stay with us, and appreciate your testimony.

Mr. HERGER. Thank you.

Mr. HANSEN. With that in mind, let's turn to the first panel. Our two panelists will be Mr. John M. Berry, Assistant Secretary, Policy Management and Budget, Department of the Interior, and Lyle Laverty, Regional Forester, Rocky Mountain Region. They both are accompanied by—Mr. Berry is accompanied by Henry Schmitt, Maureen Finnerty, and Dr. Roger Coleman. Mr. Laverty is accompanied by Greg Super. We appreciate these folks being with us. Mr. Berry, this is twice in one week you've had this opportunity. We appreciate you being here. Five minutes OK? You need any little extra time, let us, let us know, OK?

## STATEMENT OF JOHN M. BERRY, ASSISTANT SECRETARY, POLICY MANAGEMENT AND BUDGET, DEPARTMENT OF THE INTERIOR, ACCOMPANIED BY HENRY RODGER SCHMITT, GROUP MANAGER, RECREATION GROUP, BUREAU OF LAND MANAGEMENT

Mr. BERRY. OK, thank you Mr. Chairman.

Mr. HANSEN. Thank you for appearing before us, and, Mr. Secretary, we'll start with you.

Mr. BERRY. Mr. Chairman, thank you. I'm very pleased to talk to you and the Committee about the experiences we've had with the fee demonstration program, which have been mostly positive, I would like to add, and, based on our first year-and-a-half experiment with this demonstration project.

As you know, this project has been a joint effort on the part of three bureaus within the Department of Interior and the Department of Agriculture's Forest Service. These agencies manage a variety of resources under a variety of authorities, yet for this experiment they have worked very closely and have found that they have a great deal in common.

I have prepared a statement, Mr. Chairman, that, with your agreement, we would just submit for the record, and I'll try and summarize here.

Mr. HANSEN. Without objection.

Mr. BERRY. But I would be pleased to also introduce the folks who will with me who can help us answer questions in specific detail about each of our bureau's programs. We have Maureen Finnerty, who is the Associate Director of the National Park Service for Park Operations and Education. We have Dr. Richard Coleman, Director of Refuges for the Fish and Wildlife Service. And we have Roger Schmitt, who is the Group Manager for Recreation in the Bureau of Land Management. So they'll be with us in case we have specifics that I'm unable to answer.

Visitor response to the demonstration fees program has been very positive. Both the National Park Service and the USDA Forest Service conducted surveys to assess visitor reactions during the first full year of the recreational fee demonstration program. Overall, 83 percent of National park visitors surveyed said they were either satisfied with the fees they paid, or thought the fees were too low. In the Forest Service, over 6 percent of people who completed a survey card said that the opportunities and services they experienced were at least equal to the fee that they paid.

We believe that the strong support so early in this program is primarily because the fee revenues have not been offset by reduced appropriations, and because receipts remain in the recreation areas in which they are collected, to be used to improve visitor services and to protect resources. Our visitors seem to be responding with greater care to the recreation resources, for there is increasing evidence that incidents of vandalism have decreased in areas where recreation fees have been collected.

We also believe that much of this public acceptance came about because we involved and communicated with the public in a process, in a variety of ways. At the local levels, our agencies spent a great deal of effort working with the public through formal communication plans, news releases, meeting with local community leaders, constituent groups, advisory councils, information leaflets, explanatory videos, open houses at the parks, public workshops, comment cards, and then signs, entrance signs and bulletin boards. These efforts, I believe, were important to the success of the public reception for the recreational fee demonstration program.

Interagency cooperation has blossomed under this recreational fee demonstration program. The participating agencies have established a record of cooperation that I believe is unprecedented in this, in this government. This is true not only among the Department of Interior's bureaus, but also with the Department of Agriculture's Forest Service. Throughout the process of implementing the program, fee managers from the four agencies held regular meetings to discuss progress, approaches, problems, and solutions.

And they have developed common approaches for evaluating the fee program.

Mr. Chairman, I could go into a great deal about our accomplishments, but they're already described in a report that we have prepared for the Interior, Agriculture Committees on Appropriations, and which I believe we have made available to the Committee and to the Members. I'd just like to highlight a few of the summaries, points in that report.

First, a very large majority of visitors' levels have been sustained during the initial year of new fees. The initial data we have on visitation during the first full year of the program indicate that fees appear to have a negligible impact on visitation levels. Of course, we will not be satisfied with a single year's experience.

Second, recreation fee revenues have increased significantly in all four agencies administering this program. Between 1996 and fiscal year 1997, recreational fee revenues increased by 57 percent in the National Park Service, 35 percent for the U.S. Fish and Wildlife Service, and 11 percent for the Bureau of Land Management. This is good news, for it identifies a new source of revenue in addition to public appropriations that will allow us to improve visitor services and deal with our serious backlog of infrastructure needs.

Third, the agencies are evaluating a wide variety of different types of fees. Some are variations of entrance fees, ranging from individual and carload fees that are typically collected at an entrance kiosk, to the Golden Eagle Passport, unit-specific annual passes, and also multi-unit passes that allow entry into several sites of the same Federal agency, or several sites operated by different Federal, State, local agencies. Too, we're trying to address some of the concerns that Mr. Herger and some of the members of the panel have already raised this morning. We are also evaluating several types of user fees for such uses as parking, hunting, camping, boat launching, dumping of sanitary waste from recreation vehicles, and expedition fees.

Fourth, the agencies are evaluating a wide variety of methods for collecting the fees, from typical ranger in the kiosk, to automated collection machines and collection by mail. And we are looking at different approaches to this that will include using our employees, partnership arrangements with other agencies, volunteers, as well as consignment with private-sector vendors and concessionaires.

Fifth, the agencies—Mr. Chairman, if it's OK, if I would, I see the red light, but I——

Mr. HANSEN. Go ahead, Mr. Berry. I want to hear your testimony.

Mr. BERRY. Just got a couple more minutes.

Mr. HANSEN. Don't let the light bother you.

Mr. BERRY. Great.

Fifth, the agencies have found that some of the initial collection costs for new fees are higher than expected, and certainly higher than they will be over the long run. The reason for these higher costs initially is the large startup and capital costs for instituting some of the capital infrastructure that needs to be in place to collect the fees, such as kiosks, entrance stations, new equipment, and supplies that have to be in, in availability to monitor.

The agencies will continue to look for ways to reduce the cost of collecting these fees, but it's also important to note that cost-effectiveness may not always be possible. In some sites, for example, the particular mix of low visitation and multiple access points may just make it impractical, impractical to institute any fees at all.

Finally, the agencies have begun the process of financing maintenance backlog projects. Considering that we are now only into the second full year of the recreation fee demonstration program, and that many of the revenues were not available to the bureaus until the end of fiscal year 1997, the participating agencies have begun a significant number of projects that will reduce the backlog maintenance requirements and provide public service enhancements at recreationsites. I'd like to point out just a few.

At Yellowstone National Park, they are rehabilitating their deteriorated electronic infrastructure for safety and resource protection, repairing utility systems, replacing deteriorated docks, rehabilitating trail and overlook, interpretative exhibits, and back country sites. In Paria County, on the Arizona–Utah border, the Bureau of Land Management used fee revenues to maintain and upgrade sanitation facilities at trail heads.

The recreation fee demonstration program has been a very positive experience for participating agencies, and the agencies agree that long-term implementation of the fee program is desirable. We wish, however, to emphasize our strong desire that any permanent authority should not take effect until after the current temporary authority expires at the end of fiscal year 1999. The test is entering its second full year, and our current findings and observations are preliminary. The full evaluation of this program will not be completed until March 1999. Yet even at this early stage, we are very pleased with the results, and we would like to work with you to design a program that builds on that positive experience in implementing this effort.

There are a few elements which I would like to recommend for your consideration for permanent legislation. These elements are presented in more detail in the report that we have submitted, but let me just touch on a few.

First, we would emphasize the need for flexibility to tailor fees to meet specific management and visitor needs. We simply caution that one size does not fit all.

Second, we think it is crucial to recognize the importance of incentives in the design of recreation fees. The provision in the demonstration program that fees be applied to onsite backlog maintenance projects provides a very substantial incentive for recreation managers to collect and keep the cost of collection low. People seem much more willing to pay fees if they know the revenues will directly benefit the resources that they are enjoying.

Third, the provision that allows agencies to utilize the revenues over more than a single fiscal year can help agencies do better long-range planning to approach backlog reductions, and implement reform and rehabilitation in a more systematic way.

Finally, we believe that this provision, that the provision that sets aside some of the fee revenues for addressing broader agency priorities would be an important element to continue in any permanent legislation. We caution that a fixed formula that returns a

high percentage of revenue to the collecting site could, over the long run, and this would be long run over 5 to 10 years, could create undesirable inequities within an agency, where certain popular facilities have more funds than they can effectively use, and others that don't have the public access would face continuing deterioration.

So we need to consider the possibility in determining what's the appropriate balance between the needs of the fee-collection site in the long run, with the backlog maintenance needs of the entire agency.

Mr. Chairman, thank you. That would conclude my statement, and I'd be happy to answer any questions.

[The prepared statement of Mr. Berry may be found at end of hearing.]

Mr. HANSEN. Thank you very much. Mr. Laverty.

**STATEMENT OF LYLE LAVERTY, FORMER DIRECTOR, RECREATION PROGRAMS, REGIONAL FORESTER, ROCKY MOUNTAIN REGION, U.S. FOREST SERVICE, ACCOMPANIED BY GREG SUPER, NATIONAL RECREATION FEE DEMONSTRATION PROGRAM COORDINATOR, U.S. FOREST SERVICE; LINDA FELDMAN AND FLOYD THOMPSON**

Mr. LAVERTY Mr. Chairman, it's an honor for me to be here today to discuss the fee demonstration program as it relates to the Forest Service and how we have been able to implement this program. I'm delighted to be here, because I have great interest in what is happening, and even though I have transitioned from Washington to Colorado I had great interest, as I served in, not only the Director of Recreation, but also in the Acting Associate Deputy Chief role as we began to roll this out.

Many of the comments that I'll share with you, Mr. Berry has already captured, and I think as we have looked at the implementation of the fee demonstration project across agency lines, it truly has brought agencies together. I'll just summarize some of our remarks, because many of the things that we have prepared in our statement are already captured by Mr. Berry, and I'll zip through that so we can engage with any questions you might have for us.

I am accompanied by Greg Super, as you mentioned, and Linda Feldman on our staff, and Floyd Thompson, who are really the key folks on our staff that help make this come about. For the Forest Service, it was really an incredible journey for us as we began implementing the program, simply because in many of our sites, unlike many of the Park Service sites, we had not charged fees before. So we embarked in a endeavor where we started essentially from ground zero in terms of helping people understand that we were in fact going to collect fees but, more importantly, as Mr. Herger even pointed out, that we need to be able to let people know why and how these fees are going to be collected, but how they're going to be used.

And I can share with you, as I've talked to folks around the country, that folks are very, very supportive of the idea of paying fees, as long as they know those fees are going back on the site, they can actually see some tangible results.

As Mrs. Chenoweth pointed out, we are just the in process now of beginning to implement some of those fees and actually make some of these improvements. We had projects on, in fact at Flaming Gorge, where the ranger, as soon as he started collecting fees, began making significant improvements on boat docks right away, even though he didn't have all the fees in hand. And, you know, so that people could visibly and tangibly see that these fees were actually showing some improvements on the facilities that they used.

Let me just capture a few points that I think are significant, and then, I think we can answer any questions you might have. As I look at what's happening in the National forests, we're just continuing to see increased demands for recreation. And, as we have pointed out with, with the Committee in the past, the demands are far outreaching our abilities to deliver the services, in terms of providing the basic attention to the services that people expect. But I think, more importantly, the investment we need to be making as we protect America's resources, I think this is one of the significant tools that has come to us as a result of the fee demonstration program. That it does, in fact, give us the opportunity to make not only investments to serve people, and also to protect these resources so that future generations are going to be able to enjoy many of the same things that we're experiencing today.

The recreation use on the National forests, as well as all public lands, are significant contributors to the gross domestic product, and as we begin to rack up, across agency lines, contribution that takes place on public lands as a result of recreation is significant. That, that use on local economies is extremely significant. I was in Glenwood Springs yesterday, and listened to folks from the community talking about the importance of the National forest in that community's economy as it relates to the use that takes place there. And as we look at how we can invest to make sure that those resources that draw and attract people to these lands are sustainable. Our trails are an excellent example. If we're not able to sustain trails, these folks that normally would hike, are going to make choices to go somewhere else. And that's where I think the value for us in being able to return these resources and funds back to the sites to improve and maintain these systems is critically important.

I'd like to just share maybe with you a few ideas that we would recommend that you consider long-term engagement of a fee bill. And the values that we have learned, and we would capture that, as we aggressively moved on implementing the fee program. Back in 1996 when the Congress passed the opportunity for us to do this, we moved right along. And we actually implemented projects in 1996. And we have learned a lot. We viewed this as a test, and we have, we went through a very structured process in terms of how we started. We required business plans, we required communication strategies, and setting up the whole financial and cash management accountability part, which I think is extremely crucial for us as we implement the program. And if I could just take a couple minutes, I'll be done, and then we can start.

Mr. HANSEN. Nancy, maybe you want to turn the light off.

[Laughter.]

Mr. LAVERTY. This is a great conversation. We, we really viewed this as a test, and the places where we have been successful, we have found that that up-front communication has been absolutely crucial. Where people could really understand why we're collecting the fees, but more importantly how we're going to use those fees.

I was talking to the ranger on the Clear Creek Ranger District—this is the Mt. Evans project. One of the ideas that he has to better communicate with the folks on what we have actually collected in 1997, but on the other side of this little hand-out that he's going to distribute to the folks that actually pay the fees, is going to show exactly how those funds are going to be used. So we have that accountability, not only internally, but also with the people that pay those fees. And I think that's our key for our success.

Let me just suggest there's four elements that I would, I would capture that you want to consider, at least as we've learned from the past. The first is that, I would recognize that this, this joint agency effort. And I would hope that as you consider long-term consideration on this bill, or permanent legislation, if you could give us some clarity and some authorities where we could even cross across lines, not only with Federal agencies, but even with some States and counties. We've got some projects that, that we're doing this, but it's been really tough because we have folks that think we don't have the authority to do that. That would be most helpful.

I think in terms of building a long-range planning, some of the things that Mr. Berry spoke about, as we know that we have a more permanent authority coming that we can carry over some of those funds to take on larger projects than simply one year at a time type of projects. I think the idea, perhaps, for you to consider broadening the fee demonstration authorities, where we could expand to include the recreation-related activities, such as some of the fees that we collect off of outfitter and guide permits. If we were able to keep even a portion of some of the fees from some of the ski areas, that we could put back into the administration and improvement and enhancements. Right now, all those funds simply go back into the Treasury.

Let me just close it off, because I know that we need to have some conversation about some of the questions you might have. But I would just close by saying that we aggressively and totally endorse the concept of the fee demonstration program. It's been a great tool for us, and, you know, we're just in the process right now, I think, of beginning to demonstrate that government works, and that government can work well. And I think this is really key. We've got some bumps in a road that we're addressing, and as we pick these up, we've aggressively gone back to take care of that.

I think the piece I would just share with you, comments from the people that are paying the fees has been very, very positive. Certainly, as Mr. Herger pointed out, we've got some folks that still don't agree with the fee, period, but I think as we begin to show and demonstrate the results, folks are going to accept that. I appreciate just the chance to share with you, and would love to get you out and show you some of our projects on the ground.

[The prepared statement of Mr. Laverty may be found at end of hearing.]

Mr. HANSEN. Thank you, Mr. Laverty. I appreciate your comments. You folks that are standing back there, if you're so inclined, this bottom tier, no one's going to use it, if you'd like to sit down, we'd be more than happy to have you do that. If you want to stand, that's up to you, but I'm embarrassed to see you standing there.

We'll start with members of the Committee to question this panel. Mr. Hill from Montana, you're recognized for 5 minutes.

Mr. HILL. I thank you, Mr. Chairman. I just have a couple of questions about the fee structure.

Are any of the concessionaire fees retained within the park for the purpose of the park services, or, or are they, or do they go to the general treasury?

Mr. LAVERTY. I'll speak on the Forest Service side. Right now, those all go into the general treasury.

Mr. HILL. Those all go to the general treasury?

Mr. LAVERTY. Yes, sir.

Mr. HILL. And how do those fees compare with the other fees that you charge directly to people who, either admittance fees or user fees. Could you give me some indication of what that relative amount of money is?

Mr. LAVERTY. I don't have those figures here, but I could certainly pull that up. I used to know those figures, but I've forgotten that stuff.

Mr. HILL. I mean, obviously, the concessionaire fees are indirectly fees that are charged for people who use the parks. It just seems to me that if we're going to be talking about trying to create an entrepreneurial climate within the parks, we ought to consider whether or not some portion of concessionaire fees or something ought to be retained within the park. What do you think of that idea?

Mr. LAVERTY. I think if we were able to keep some of those fees in the fee demonstration program, it could go a long ways. I think it could help us do a couple of things. We could enhance the administration that goes on right now in terms of how we administer those special-use programs, particularly outfitter and guide programs. And if we were able to get some consistency, I think we would find our relationship with many of the outfitters would even improve.

Greg was just telling me that our, our special use fees that we collect, are about $37 million. Last year, we collected about $8 million under the fee demonstration program, and we expect that to go up significantly as we begin to implement the program. We have 40 projects underway that we actually implemented in 1996–1997, another 5 ready to go on line in 1998 and 1999, so, I think we'll see that fee collection increasing to be probably comparable over time.

Mr. HILL. Is there any relationship between the fees the concessionaires pay, and the use of infrastructure they have? For example, sewer and water costs, and those sorts of things within the park or within the—now, I would ask any one of the three of you to respond to that. Are those fees, do they bear any relationship to the services that they also consume?

Mr. BERRY. Yes, sir, Mr. Hill. Each concession contract in the Park Service is an individually negotiated contract between the

concessionaire that accounts for opportunities and other costs that are subject to that. In response to your last question, in the Park Service, the general rule is that our concession funds are returned to the Treasury, but there are instances in certain concessions in certain parks where we have the ability to keep some of those funds on park site. And we can get you a more detailed break-out of that, I think, in an answer to the record.

Mr. HILL. I would appreciate having that.

Noting that, you know, a lot of the backlog is associated with infrastructure needs, and, I mean, how do you fund those infrastructure needs? Substantially, now, they're being funded, obviously, by the Treasury, I mean, just general taxpayers. Some of it's going to be funded from increase in user fees. Seems to me that, if we're going to address this whole issue, that we ought to look at that again. I'm not making a case for more concessionaires' fees; I want to make that clear. I'm just saying, though, that there ought to be some relationship there, and those, it seems to me, those dollars ought to stay within the park, too.

Mr. BERRY. You raise an excellent point, Mr. Hill, and the administration, we're working now between the departments and the Office of Management and Budget on preparing some concession approaches similar to what you're talking about, so that we can submit those for your consideration. But you, you've hit on a very god point.

Mr. LAVERTY. One of the points I would also make, Mr. Hill, that relates to outfitters and guides on the National forests is that most of those folks do an incredible amount of volunteer work for us, just doing basic maintenance that we would not be able to do ourselves. That's not part of the permit, but, you know, that's work that's being contributed by the folks, you know, for, oftentimes in addition to what the fee that they pay. So that probably doesn't cover all that.

Mr. HILL. Thank you. Thank you very much, Mr. Chairman.

Mr. HANSEN. Thank you. The gentleman from Minnesota, a member of the Committee, is recognized for 5 minutes.

Mr. VENTO. Thanks, Mr. Chairman. I didn't make an opening statement, but I did read yours and noted your concerns with regards this experimental program, and specifically with regard to trying to guide the use of the entrance fee and user fee type of programs. It's really pretty confusing for those that are not familiar with this. And, of course, when my colleague from Montana, introduces concessions into the process, you can really, I'd suggest—and I think that, you know, he had some very good points with it, but that if we're going to deal this, we try to deal with the user and entrance issue. And what you were removed from, like, for instance, I mentioned Mr. Laverty that you actually have broad authority to implement user fees, in almost many instances. Is that correct?

Mr. LAVERTY. That is correct, yes.

Mr. VENTO. And this, this gave you flexibility to put in more user fees, not entrance fees, because you hadn't had that except in the special units that we designated in 1993. Is that correct?

Mr. LAVERTY. That's correct.

Mr. VENTO. And so the, the point is that this freed you up in terms of not being limited by the land water conservation law, in terms of where you could charge user fees. These user fees are generally designed to pay for what the actual use is of a campsite, and they go directly into that site. Is that right? Or a parking lot or some other activity?

Mr. LAVERTY. That's correct. We have used those for trail fees, where those funds are going back for trail maintenance, and that's one of the significant——

Mr. VENTO. So none of that goes to the Treasury, does it?

Mr. LAVERTY. That's correct.

Mr. VENTO. That does not. I mean, it's only these entrance fees that the new issue. You hear, someone's going to give you some advice now.

Mr. Berry, have you been around this a little bit so you get the difference here?

Mr. BERRY. At the Parks and Fish and Wildlife, and Public Lands, there is a distinction between the departments in this regard in that we generally approach it from the entrance fee approach, as opposed to the service approach.

Mr. VENTO. Well, I think we have in the Park Service, I think the others—of course BLM recently in 1993 was granted authority for special units. I don't really know the Fish and Wildlife Service, but obviously it's a small amount of revenue there. We look at these figures, and then there's also a county sharing in terms of some of the type of fees that are present here, that the counties actually, under normal law, would get some share—not under the user fee, I don't think, but under—I don't know if under user fees or not. Mr. Laverty, do they get part of the user fees too?

Mr. LAVERTY. Under the fee demonstration, they do not.

Mr. VENTO. They don't, but otherwise they would, is that right?

Mr. LAVERTY. That's correct.

Mr. VENTO. Well, that's sort of problematic, especially if we want the money to go into the purpose for which it's intended. Of course, it isn't enough but, you know, I'm a little—the concern here, of course, asking for more specificity, you know, is going to end us up at the Appropriations Committee again. And then when you get the revenue comes all to the government, then it gets to be an offset in the appropriations bill. And, of course, that's one of the problems with this concessions policy, you know. They're trying to find a balance between the superintendent, or the supervisor of a forest, or the other administrator, and the OMB and appropriator type of process. Because the money just doesn't seem to get back once it comes to Washington—at least not all of it.

And, of course, there are a lot of units that don't have any collection of fee money. I notice that these ideas seem to be a better idea in Washington than sometimes in the field.

Mr. LAVERTY. I have spent the last two-and-a-half months talking to a lot of the folks in the field, and I can tell you that there's a lot of enthusiasm and great support among agency people, you know, with this, with this program. I wish we could have some of the folks that I talked to yesterday, that were just talking about the project that they have at Vail Pass. These folks are enthused about it, but also, more importantly, is that they're finding that

there is a great support from the public that is paying that. And, you know, I can't share that——

Mr. VENTO. No, no. I understand that but I think there is some, I think as I said that the public is on the learning curve and you have to become acquainted with this. For instance, in the case that our colleague presented in his testimony, it looks to me there is no pass that would be applicable. You have the authority and have exercised the authority to provide a single pass for multiple units. Hasn't the Forest Service done that?

Mr. LAVERTY. Yes, we have.

Mr. VENTO. You haven't done it in northern California or Oregon, I guess, is the problem.

Mr. LAVERTY. Southern California has one, and northern, the Oregon——

Mr. VENTO. So they do have it, so it's just a matter of misunderstanding at this point, at least in term of the pilot program?

Mr. LAVERTY. That's correct, and I think we also share, though, the point that I believe you're going to make is that we've got 40, maybe a hundred projects on the national forests; we've got 40 or a hundred projects on the national parks and BLM. And at some point in time, we need to begin look at, you know, should there be, whether it's a State pass that covers all agencies, or should it be a Federal pass.

Mr. VENTO. Well, I hope my colleagues——

Mr. LAVERTY. I think those are some of the things that we can learn.

Mr. VENTO. Yes. I hope my colleagues will be patient with this and try to work it through. I think there's nothing worse than having something start in fits and starts and maybe we can get the insights from this, and then proceed. But to completely just pull it back because there is a misunderstanding or political reaction to it, I think would be the wrong thing to do. This wasn't my baby; this was Ralph's, but I've been through this before, and I think that there's nothing worse than having something that goes in fits and starts, especially on an issue like this. And I think that we should try to build the consensus on the Committee, and to be reasonable where we can, look at these factors more carefully, and give some guidance, but, hopefully, keeping the money in the, in the land management units, and with the type of flexibility. I think, obviously, the comments you made, Mr. Chairman, about what's happened with some of the money, you know, fall right in line with why there are the certain requirements in the Land, Water Conservation Fund. They may not be perfect, but they're better than nothing.

Mr. HANSEN. Thank you. The gentlelady from Idaho is recognized for 5 minutes.

Mrs. CHENOWETH. Thank you, Mr. Chairman. If I didn't make myself clear in my opening statement, I want to make it clear now. I think that for us to look at the possibility of charging fees, user fees, in the Park Service is one thing. But for the record, I am adamantly opposed to user fees, or fees being charged by the Forest Service and by Department of Interior for anything other than National parks, and anything other than an experimental demonstration fee program.

It's creating tremendous reaction in my district. In fact, or in my State. In Mr. Crapo's district, there's a little city named Salmon, Idaho. And the mayor and the city council adopted a new vehicle use fee test program. And the proposal is that the city of Salmon is proposing to charge all U.S. Forest Service vehicles using city streets to a use fee. The purpose of the fee is to replace declining funds and to provide finances to ensure we provide quality road experiences while traveling on city streets. The current allotted funds do not adequately cover the cost of maintaining the highly used streets, and the U.S. Forest Service was chosen as a test group because they have established user fees on the Salmon River, and several Forest Service-operated areas and must believe this is an accepted method of raising funds.

They go on to say the city of Salmon will share the information gathered from this project, and will provide, free of charge, to any city, the procedure used and the amount of funds brought into the city budget. The city will receive comments until May 29, but just like the Federal Government, it doesn't matter what you say. The fee will begin on June 1st.

It's a little half-serious, tongue-in-cheek, but the fact is that the mayor of Salmon wrote to me and said this is an area where the average family income is about $18,000 a year. And the mayor says the fees that are being charged means that, if I'm traveling from Boise to my home in Salmon, Idaho, and choose to stop along with my wife and three children for a picnic under a tree, I will have to pay $10. And if I need to stop along the road at one of the outdoor toilets, I will be expected to pay two dollars a person.

So this is the kind of thing that I'm receiving in my, in my district, Mr. Chairman. Actually, if we wanted to paint a great big, huge sign in the name of the free market system and charge fees, which is what we're doing, we might as well paint a huge big "keep out" sign to all of the citizens with regards to what's happening on our National forests. Our trails are being shut off, access to the river is being shut off, our roads are being shut off, maintenance is declining. And because the Federal Government, this Congress, has failed to fence funds, which we didn't because we trusted the administration and the Federal Forest Service, funds are being shifted from those areas that we have allocated moneys for to other areas that are unauthorized, unappropriated programs such as the American Heritage Rivers initiative, the Inner Columbia Ecosystem Management plan.

And I think that the idea of trying to utilize Ludwig von Meese's theory of freedom of the marketplace with a Federal agency is ludicrous. And I think we need to look in another direction to raise funds. Now, if we charge fees for the Park Service, I think also that we ought to reduce the general fund by an appropriate amount, by a corresponding amount. Because we have increased funding to Interior and to the Forest Service for several years now. And we're seeing the services to the general public decline.

And I just want to make one final statement, and that is that many of the user groups are willing to put forth their own effort, and their own funds, and their own time to help improve roads and trails and facilities. So, I just wanted to make that clear.

And, Mr. Chairman, I have 12 questions that I would like to ask, especially of Mr. Laverty. My time is up, so with your indulgence, I wonder if I might submit those to the Committee to ask the questions for me.

Mr. HANSEN. All the questions from members of the Committee, I'm sure, our witness would be more than happy to respond to those in correspondence. And if they do it, I wish they'd correspond to all of us so we can all get the answers to it.

The gentlelady from the Virgin Islands.

Ms. CHRISTIAN-GREEN Thank you, Mr. Chairman. I don't really have any questions. I just wanted to make a brief statement.

St. John in my district is a very beautiful island, with some of the more beautiful parks, but its facilities are also in very bad disrepair. We have a new superintendent, who quickly moved on coming to St. John to get the last slot, I believe, in the fee demonstration program. And so now meetings are being held in my communities, one as late as last night, and I haven't heard how it went. But I listened with a great deal of interest to the fact that across the country the fee demonstration programs are being received with broad acceptance. I'm not too sure that that's going to happen in St. John, because when the parks were turned over, when the land was turned over to the National Park Service, it was with the understanding that the residents of St. John, and I believe the entire Virgin Islands, would never be charged a fee for the parks.

And so, Mr. Chairman, this is a very timely hearing for me. I thank you for holding it. It's also very informative. I really don't have any questions, but I do share some of the concerns that were voiced already, that the fees that are collected be returned to the park for maintenance and other uses in the park, and that it not be used to replace appropriations, but be a supplement.

Mr. VENTO. Will the gentlewoman yield to me briefly?

Ms. CHRISTIAN-GREEN. Sure.

Mr. VENTO. I was just going to point out that most of the units, when they were established in terms of parks, if they had a Native American or, in fact, an indigenous community that actually was involved, that there are exceptions, usually, for them not to be charged fees. In a sense, I don't know if this particular measure overrode that, this experiment overrode that.

But, of course, as I said before, I think the distinction between user fees is very important, because user fees, they have general authority always to put into effect user fees. And so the real authority here might be that they have more flexibility with regards to what user fees, where they're charged, and what parcels. But entrance fees would be, obviously, a different matter, and there's a whole list of these fees, if we'd look at this study we have, in terms of reservation fees and other charges that are accumulating to the cost of the Forest Service for providing recreation. And one of the laments we often hear is that the recreational user is not carrying his fair share, and this means that costs are being shifted in different directions.

Here we've got a minuscule amount of money that's been collected so far in the Forest Service. I mean, compared to its overall budget, it's I think, like a $2 million increase, and we got a

firestorm, really, in terms of, I think a lot of misunderstanding and, about it. But it, you know, there's many of us that would like to find a way to permit these units to be used and not charged. But that is predicated on the funding. I'd be happy to yield back. But I just wanted to point out that there is an opportunity for, many times, from parks or other units that are created for non-charging for certain populations.

Ms. CHRISTIAN-GREEN. OK, thanks. I'd like to just reclaim my time, and I would ask that question. Because, in talking with our superintendent, he was saying that we could not waive the fees for residents. Is that true, or can there be a fee but the residents, because that was the understanding when the park was created, be exempted from the fee?

Mr. BERRY. There is flexibility with each park, Congresswoman, so that we look into that situation with you. We do try to respond and provide flexibility to local residents in some of the instances that were described, when construction people have to drive through public lands to get to work, or other things. So there is clearly flexibility. We need to look at your specific situation, and let me find out with you. We'll work with the ranger and we'll get back to you on that.

Ms. CHRISTIAN-GREEN. Thank you. Thank you, Mr. Chairman.

Mr. HANSEN. Thank you. The gentleman from Michigan, Mr. Kildee.

Mr. KILDEE. I see the bell has rung for a vote over in the House, but I'd just like to indicate that, now that the President and the Congress are balancing the budget, I hope this Committee some time, Mr. Chairman, would have a hearing on my bill, which would take the Land and Water Conservation Fund totally off-budget. Let us use the Land and Water Conservation funds for what they were originally intended. So I hope you will consider my bill on that.

Mr. HANSEN. That should be interesting.

Mr. KILDEE. I yield back the balance of my time.

Mr. HANSEN. Thank you. We appreciate this panel. Let me just say this: This is an experiment. We tried it out. This oversight hearing is to try to determine if we want to continue, we want to leave it as-is, where we want to go. You can see we're fraught with problems in a thing like this. You heard all the testimony.

It's rather easy to take a park that is isolated and have an entrance fee. That's pretty simple. We expand it to user fees that the gentleman from Minnesota has talked about. Reservation fees, we're talking about. You have problems like Mr. Kildee just brought up, drive-throughs, which we're talking about Yosemite right now. Zion's National Park in my district has the same problem. One in Florida has the same problem.

We're trying to figure out how do we work this out. You go to the Park Service, that Mr. Laverty has pointed out. It's probably got bigger problems. Camping fees, you're in that area; how do we do user fees. Now we get into recreation areas, like we have at the Flaming Gorge and we have a the Glen Canyon Recreation Area. We have reclamation problems. I've got something here that talks about the two dollar fee at Flaming Gorge just isn't making it anymore. That's two dollar vehicle per day fee.

So how do you make a fit-all, and I think Mr. Berry's right. There is no thing where you can make it fit everything. So as we look at this, we're going to have to be very careful in figuring out how we do this. If we could just take what the Department of Interior has under the Park Service, and even that would be, those remote parks that you drive to.

Mr. Gallegly made an interesting point. What about these western, drive-to parks. They don't have walk-in people in those areas. People that go in those areas do go in with a lot of money, pulling their Suburban with their Winnebago, and all that type of thing. And to think that they can't pay a few bucks is unbelievable.

Yet, on the other hand, how do you handle it in a historic park, where there's no way to stop anybody from coming in. Then it becomes a rather difficult situation. So I worked with Mr. Regula on this first experiment. We may have to move along very carefully as we do this, but the input has been very valuable today, and I would hope we could all work together. And the next panels coming up, of course, will have some very interesting approaches to it. And that's all this is, is we're trying to figure out how to do this so it benefits the people in America.

We hear a lot of folks say, doggone it, I pay my taxes, I shouldn't pay anything for these things. Well, that's kind of hard to believe in some instances, because other people who don't use them say, well why should I pay for them? So we find ourselves in kind of this interesting position.

We do have a vote on. I do appreciate the excellent testimony from our first panel. I'll recess the Committee briefly. I would urge all members to come back, and I'll try to collect a few more, and we'll come right to the second panel as soon as we return. So we stand in recess.

[Recess.]

Mr. HANSEN. [presiding] The meeting will come to order.

We are happy that on our second panel we have Derrick Crandall, president of the American Recreation Coalition, Philip David Voorhees, Associate Director of Policy and Development, National Parks and Conservation Area, and our friend from Arizona, Gaylord Stavely, vice president, National Forest Recreation Association.

It's always good to have you gentlemen with us. And Derrick, we'll start with you. Is that all right? You have all been here many times. You know the rules. Try to stay within 5 minutes. We want your testimony, however.

## STATEMENT OF DERRICK CRANDALL, PRESIDENT, AMERICAN RECREATION COALITION

Mr. CRANDALL. Thank you very much, Mr. Chairman. It's a delight to be here to talk about a topic on which you have such a strong and positive role. As you know, ARC represents a range of interests that include companies and associations representing the manufacturers of tents and motorhomes and canoes, bicycles and much more, as well as enthusiast organizations that represent millions of Americans involved in downhill skiing and camping and fishing and many other kinds of activities.

In fact, fees were catalysts for bringing the American Recreation Coalition into existence in 1979. We've told you before that we would like to continue a policy of free lunch. However, we have learned that the free lunch comes with a price. It's hard to demand a great menu and top food when you are not paying the tab.

We also understood that other consequences arise. We found that without paying we could not justify the demands for continued recreation excellence. We found that campgrounds in our national forests were opening later. And millions of people who came to use those campgrounds during the shoulder seasons found locked gates. We saw declines in the numbers of interpretive programs and declines in the quality of trails across this country.

During the time of the President's Commission on Americans Outdoors the Nation engaged in a debate, and I believe we came to a consensus that while we shouldn't support the entire Federal recreation program on the basis of recreation fees, it was legitimate to look to the direct beneficiaries, those people who actually come to the public lands, for a greater share of the cost of providing those recreation programs.

In fact, our studies show only about 26 percent of the American public visits a Federal recreation site of any type administered by any agency in any year. We heard that agencies had little incentive, though, to charge higher recreation fees, since the fees they now collected disappeared into a variety of special accounts in the black hole, and it left the Forest Service, the National Park Service, BLM managers on the ground unable to respond to a very simple question from the visitors: Where do our fees go?

This Subcommittee provided leadership that ultimately was acted on by Chairman Regula to create the fee demonstration program that is the subject of this hearing. Its design work largely came through your work here in 1995 on your bill H.R. 2107.

In general, we believe that the fee demonstration program which resulted is laudable and has been successful. The report to the Congress on the first full year of the fee demonstration program displays a range of new approaches, which together are increasing recreation program budgets of four key agencies by some $150 million each year.

For the first time Federal recreation program personnel now have the incentive to go out there and listen to their customers. As we've told you in the past, we support Federal recreation fee programs which meet five tests.

First, fees need to be equitable. Second, the fee system itself needs to be efficient. Third, fees need to be convenient for the recreationist, and we've heard some concerns about that topic already this morning. Fourth, the fee system needs to be coherent, flexible and integrated. Finally, the fee revenues need to be returned to benefit the resources, facilities and programs utilized by those paying the bill.

In general we find that the fee demonstration implemented by the four agencies have met these goals. We are excited about the use of the fee demonstration program, for example to preserve the lookout towers in western national forests—that's an exciting story that the *Washington Post* recently told—and to provide new interpretation services on the Pike, Arapaho and Roosevelt National

Forests for families coming to cut their Christmas trees and finding a nice surprise, people who could share with them the learning opportunities that they could find as a family on the national forest.

We find that effective fee programs will help Federal agencies become more consumer-focused, which is hard to accomplish when 95 percent of the budgets previously had been determined a year in advance here within the beltway.

We are proud to say that ARC and the Recreation Roundtable are actively involved in providing guidance and advice to the Federal agencies across the country. We've provided top marketing and communications executives from Disney, REI and other companies to work with the Enterprise Forests in southern California, for example, and in developing communication efforts for dozens of Forest Service fee sites across the country.

We also give our warm thanks to you and to Chairman Regula for upholding a commitment to making the fee demonstration receipts supplemental to the general appropriations for Federal recreation programs of the four agencies.

But we can't praise the program in its entirety. We have several concerns. First, we believe that the program has several specific fee flaws that need to be rectified. Most reflect poor communications, but some have deeper roots. Second, we believe that there have been some outstanding innovation already by the agencies involved, but far more ideas and approaches can and should be tested.

Let me just quickly run through some of our concerns. There is an inequity in fee collections going on out there right now. Those enjoying the services of outfitters, guides and other commercial services end up paying more, and more consistently.

This is largely because they are already assessed a fee through the concession's special use permit on the agencies' part, as opposed to the non-outfitted guest on the national forest. Second, because they are identifiable through the commercial service they are universally assessed, whereas those coming on in a non-outfitted way are subject to the enforcement efforts of the Federal agencies and, frankly, oftentimes get a free ride.

Our second concern involves use of the new fee demonstration authority in ways which undercut and jeopardize the operation of commercial providers on public lands. We have sparked the entrepreneurial fires of Federal employees throughout the Nation. We are finding, however, that sometimes this entrepreneurial spirit blinds the Federal agencies to the benefits of long-term partnerships with other agencies at the state and local level or with companies, for example those who are providing concession campgrounds and other kinds of services.

We don't believe that the Forest Service should lose sight of the fact that even though they might be able to collect all the revenues from a Snowbird, it would make no sense for the Forest Service to try to operate a ski area like Snowbird directly.

We think that our concerns are largely the result of a new tool being handed to Federal officials who are very hard-pressed to meet growing and changing demands for recreation. They think of it, in many cases, of fees as a universal wrench able to fix all problems, and it is not.

Thanks to you and to the Congress and to the agencies themselves, we know that providing high quality recreation in America will take a number of tools, including encouragement of volunteer efforts, use of funding from ISTEA and other kinds of Federal programs, partnerships with private sectors as concessionaires and special permittees, partnerships with states and local agencies in a wide variety of ways, corporate support through sponsorships and work with non-profit organizations.

In general we believe that the fee demonstration program has already been a great success and deserves to continue for at least two more years so we can learn through the process of the projects underway. We think that there are some additional needs to develop a broad recreation strategy for the Federal agencies, and I want to encourage you to recommend to the agencies to do that.

Among those lessons that still are unlearned would be use of differential pricing between peak and non-peak periods of the years, and linkages between the rich and the poor sites. We heard today, for example, evidence that some national park and some national forest areas will certainly be able to bring in enough revenue to run well the recreation programs at that site.

However, there are other sites which will never be able to implement a strong fee program. There are ways, though, to link those. For example, to use an example here in Washington, we could reward volunteers working on the C&O Canal or on the mall here in Washington with free access to Shenandoah National Park. There are ways to combine this program with other mechanisms to increase overall the opportunities for recreation in this country.

We heard repeatedly concerns about the social equity and whether local people or the economically disadvantaged are being priced out of our public lands. Certainly we don't want to see that occur. However, we now, under the fee demonstration, could see enhanced use of such devices as free access days, where we simply decide that during certain non-peak periods families and individuals alike could come in without a fee as a way to encourage them to use their land.

And there are other things in our testimony that we are suggesting. We appreciate the opportunity to do so.

Finally, we would suggest just a couple of changes that you might well be able to work either with the Chairman Regula or through stand-alone authorization for this program coming through the Resources Committee.

First of all, we would suggest strongly a prohibition on the use of the authority of the fee demonstration program to "replace, disrupt or jeopardize the provision of public recreation services on Federal lands by permittees and concessionaires."

Secondly, we would encourage new direction on the type of fee strategies to be tested during the demonstration period, including as I mentioned peak and off-peak pricing strategies to encourage volunteerism and free access periods.

Third, a provision for modest growth in the number of sites permitted under the program. At this point the agencies are limited to no more than 100 sites. The Park Service has shown that they have 100 sites up and running right now and may deserve an increase beyond that.

Fourth, a refocusing of the use of receipts in needed, because there is some concern about the need to show the public where their funds are going, and we've suggested some language that we think would help to encourage the visibility of use of the fees.

And finally, we specifically endorse allowing inclusion of special use permit revenues as fee demonstration projects, and that has been addressed in questions of the previous panel. Such things as outfitter guide permits would be specifically allowed.

We thank you very much for the time to be with you here this morning and look forward to working with you on this exciting program. Thank you.

[The prepared statement of Mr. Crandall may be found at end of hearing.]

Mr. HANSEN. Thank you Mr. Crandall. Mr. Voorhees.

**STATEMENT OF PHILIP DAVID VOORHEES, ASSOCIATE DIRECTOR OF POLICY AND DEVELOPMENT, NATIONAL PARKS AND CONSERVATION AREA**

Mr. VOORHES. Mr. Chairman, thank you very much for the opportunity to testify. Again, I know NPCA was before you just 2 days ago testifying on the film fee matter. I appreciate the access they provide us.

Since its initiation in 1996, the demonstration fee program has proven valuable by almost any metric that you want to use. It's brought more revenue into the national parks, and it has begun to educate park managers about the public acceptance of entrance and use fees, options for fee collections and the kind of collateral benefits that increased fee collections or fee collections of any kind can bring.

The program has also been dynamic in raising a variety of issues that Congress should address once the program reaches its conclusion. Some of those issues include the appropriate method of interagency revenue-sharing, the appropriateness of specific types of use and entrance fees, the possibility of eventual fee caps and the distribution of revenues within the National Park Service.

In my testimony today I want to limit my comments to the National Park Service fee program alone, inasmuch as we concentrate fairly closely on NPS.

First, with regard to entrance fees, I think there's no question but that the public has been broadly accepting of the fees that have been raised at the 100 sites or nearly 100 sites that have been included in the demonstration fee program.

Before the program began in 1995 NPCA conducted a national survey asking the question of the public's acceptance of fee increase. We found that 70 percent of those surveyed responded they were not opposed to an increase from an average, at that time, of $5 per carload for a visit of up to 7 days.

A year later, still before the fee demonstration program began, we conducted another survey and probed a little bit more deeply into that, and I think the results here are telling. Based on per person rather than a per carload assessment, we asked at a variety of different levels what is the public's tolerance, if you will, to pay certain increases.

We found that 56 percent of respondents would support an increase of $5 per person and as support gradually dropped to about 20 percent, that increase rose to about $10 per person.

I don't think the specific dollar figures here have a tremendous amount of relevance because we are talking about apples and oranges and per person as opposed to per carload and such, but they do clearly show that there is a limit of public acceptance of fee increases, obviously the higher you go.

So my question would be in this form, and I implore the Committee to consider how much is too much. Now in some circumstances in some parks the fees have been doubled or even tripled. In some circumstances that may be well be warranted, but there clearly are limits. And as the Committee considers where to go next with regard to the fee program, I think that close consideration ought to be given to exactly what are the upper limits.

Now use fees might be in some circumstances a little bit different kind of situation. There have been circumstances in the Park Service's program in which use fees have met somewhat more limited acceptance.

I think the best example is the private boater fees at the Grand Canyon, and the Private Boaters Association is going to be here testifying I am sure to that effect today where currently, I believe, before you even dip an oar in the water, if you are a private boater and waiting an average of 8 years to get on the river, you pay $200 in waiting fees, if you will, while you are waiting and then another $100 before you get on the river. So before you ever dip an oar in the water you've paid $300 for the privilege of getting on the river.

That seems a little bit excessive. I don't necessarily want to damn the Park Service for exploring this kind of exercise, this kind of use fee, because I think that's exactly the purpose of the demonstration fee program, to specifically explore the parameters of what the public acceptance is and what kinds of fees should and shouldn't be charged.

I just would say that as the Committee moves forward with its consideration of how the fee program has been moving along, they should look closely at examples of excess and provide some moderation where it's warranted.

Given the fact that there are clearly some hitches if you will as the fee program progresses, I wonder if the length of time that's been allowed the demonstration program to lay out or to roll out is really adequate. NPCA would ask that the Committee consider extending the program for perhaps another 5 years and in fact broadening the scope for the Park Service beyond the 100 units that are now authorized to include all units.

Now that doesn't mean that I am saying all units should charge fees, but rather the Park Service should be given the authority to extend it to any and all units they see might work. That way you can develop a much more sophisticated baseline, again, of what is and isn't appropriate, what is and may not be the levels of public tolerance for fees in specific circumstances before the Congress steps in and makes the program permanent.

Another question is distribution of fees with the Park Service. There are a limited number of sites that have had spectacular success in the fees that they've raised. In fact the Grand Canyon again

is a good example in which the fees they have collected have exceeded their operations budget. Now that's fairly alarming notation. I think there might be others here today who would say, "Well why not cut them free and let them float and not support them with tax revenues?"

I would say that for those folks who would make that argument that they look at the purpose of the fee program which is to address the backlog. In the Canyon alone the backlog for maintenance and infrastructure exceeds $15 million, which if you never added to the backlog would take 10 years to resolve given the current fee stream.

On the issue of additional of additional research, the Park Service constructed the program as it is essentially in going out to the units that were charging fees now and gave them an open question as to how they should proceed.

Before the Congress makes this a permanent program I would implore that they ask the Park Service to do some more sophisticated analysis, which would explore what are the limits of public acceptance but also what are the limits of fee collection at which you start to have some demographic impacts on who can and cannot go to the national parks.

In no circumstances should we construct a fee program that would affect the demographics and affect the willingness of anybody in America to go and use the national parks, no matter what their economic or social mean.

Lastly, I'd like to say that public fees, use fees, entrance fees are really only a part of the equation. The Park Service certainly is facing a broad number of financial issues and has for quite some time. Public fees are a part of that. When the issue of raising entrance fees and use fees was first considered in the Congress some years ago, we came and said then that private fees have to be a part of this. When I say "private" I mean concessions fees, filming fees, which the Committee is now addressing.

In the last Congress we again came close on the issue of concessions reform, and I think—and I hope—that before the Congress moves any further with more public fees or raising the public fees or making the program permanent, that we would again sit down and finally resolve the issue of concessions reform.

With that I'd like to conclude my comments with one final caveat. It has been expressed before here, and that's that the Committee always keep a close eye on the fact that these fees should remain supplemental and not supplant existing appropriated funds. I think there's broad recognition on the part of the Committee and I believe on the part of the Congress, but I think that there's reiteration.

With that I'll conclude. Thank you very much for the opportunity.

[The prepared statement of Mr. Voorhes may be found at end of hearing.]

Mr. HANSEN. Thank you. Appreciate it. Mr. Stavely.

**STATEMENT OF GAYLORD STAVELY, VICE PRESIDENT, NATIONAL FOREST RECREATION ASSOCIATION**

Mr. STAVELEY. Thank you, Mr. Chairman. Thank you for the opportunity. The National Forest Recreation Association represents private sector business persons who own or operate, developed sites such as resorts, lodges, pack stations, campgrounds and marinas on the national forests for the use and enjoyment of the public. Those include both public and private facilities.

There are by Forest Service count some 1,700 private businesses on the forests. Overall they have a multi-billion dollar investment in structures, facilities and equipment used to serve the visiting public; and they contribute millions of dollars in privilege fees to the Federal treasurer every year.

NFRA's interest in the recreation fee demonstration program springs from harmful effects the program has already had on a number of these businesses and could have on them and others in the future. NFRA is not presently opposed to the recreation fee demonstration idea. It may be good for a recreation-managing agency or a unit of that agency to have more than one source of revenue, and it's certainly not unfair to ask a visitor to pay for the use of a facility or an amenity on a national forest.

We do however strongly object to the use of fee demonstration projects to harm, displace or subrogate concessioner operations. There has for some time been a faction within the Forest Service that advocates taking back the visitor services, both public and private, that have been concessioned out to the private sector, believing that the jobs and revenues at those sites would then go to Forest Service employees. Some in the agency now see fee demonstration as an income base for taking back those sites and have begun using it that way.

During the first year we've seen fee demonsatration used to displace or subrogate concessioned operations in a number of ways which include the following: The stripping, shortening or otherwise changing of an existing permit (for which the Forest Service euphemism is "permit renegotiation,") refusing to renew a permit for which there is a pattern of past renewals, setting a new fee and taking the revenue from it while shifting its related maintenance costs over to a concessioner, pressuring the concessioner to manipulate concession fees up or down so the Forest Service fee will seem less objectionable or more affordable.

Many Forest Service field employees ignored the parameters of the 1996 fee demonstration authorization. A year ago the Chief of the Forest Service was finding it necessary to issue a letter to his regional foresters prohibiting displacement of concessions based on recreation fee demonstration projects.

The Chief's letter notwithstanding, new instances of fee demonstration impingements on concessionaires continued to be reported throughout the summer of 1997. By September there was sufficient concern in the Senate that in a September 18th Colloquy on the Senate floor Senator John Kyl said that, "at some fee demonstration sites there appears to be an intent to discontinue reliance on the private sector for delivery of recreation goods and services."

Senator Larry Craig cited a new Heritage exhibition program that essentially puts the Forest Service into the outfitter guide business. Senator Slade Gorton reiterated that "concessioner displacement was not an intent of the fee demonstration program."

Toward the end of the last session an amendment to the 1988 Appropriations bill was being discussed, to assert the parameters of fee demonstration. The Forest Service opposed that amendment on the grounds that they don't want to relinquish their authority to take back concessions.

Mr. Chairman, in summary, not enough is yet known about how or whether fee demonstration funds and appropriated funds can be blended to assure the continued availability of safe, enjoyable visitor services on the Federal lands. More demonstration is needed that the fees will be used for resource protection and maintenance and not as a Forest Service jobs program. More assurances are needed that the Forest Service cannot use the fee demonstration program to damage, displace or compete with its concessionaires.

If fee demonstration were permanently authorized and then at some point the Administration or the Congress were to renege on earlier promises and treat locally collected fees as an appropriation offset, we believe the Forest Service would then feel they have a legislated license to extract as much money as possible from concessionaires without regard for the ability of the private sector to pay those fees and still continue to provide safe facilities and quality service.

The Forest Service needs private sector business and financial help and is likely to need them increasingly in the future. Fee demonstration was sold to the concessioner community on the basis that it would provide new flexibility to the agencies and attract more private investment to the improvement of recreation and visitor facilities and services on the public lands.

The effect of fee demonstration thus far has been to discourage private investment and employee tenure at national forest recreation sites. We would like to see the fee demonstration program or something like it succeed, but we urge that it not be permanently authorized at this time or without legislated direction.

Thank you.

[The prepared statement of Mr. Staveley may be found at end of hearing.]

Mr. HANSEN. Thank you. I appreciate the excellent testimony from all three of our panelists. I do have some questions, but we've go two more panels to go. We may submit those to you if that's alright. We'd appreciate a response from you. We'll thank you and excuse you from the front table there in terms of our next panel.

Mr. James D. Santini, a former Member of Congress from the National Tour Association; Craig Mackey, Public Policy Liaison, Outward Bound; Mary Margaret Sloan, Conservation Director of the American Hiking Society and Holly Fretwell, Research Associate, Political Economy Research Center.

If you folks would like to come up and take your places, we'd appreciate it. We appreciate your being with us. Do your best to stay within your time, I'd appreciate it if you could. We are going to run out of time for this room, which has got me a little concerned.

Our former colleague, Mr. Santini, it's good to see you. We'll start with you. Is that all right?

**STATEMENT OF JAMES D. SANTINI, WASHINGTON DC REPRESENTATIVE, NATIONAL TOUR ASSOCIATION AND FORMER MEMBER OF CONGRESS**

Mr. SANTINI. Thank you, Mr. Chairman. I'll do my best. I adhere to the same clock that Mr. Crandall was speaking to. I offer this testimony on behalf of the NTA, a Lexington, Kentucky-based international package travel association of 627 companies.

Over the last 2 years—I should say probably 12 years—NTA has been working closely with the National Park Service to make demonstration fee programs and public-private cooperation a success.

Most of our associations' tour operator members regard the national parks, historic, heritage sites as lifetime experiences for their group clients who are traveling together for economy, efficiency, security and social interaction. That is the basis of packaged travel. For many of America's senior citizens and school-aged travelers, this is the only way they will ever be able to share the natural and historic wonders offered by park destinations.

NTA membership also includes 850 local, state, provincial, destination marketing offices, the convention and visitor bureaus; and 2,255 tourist suppliers that include attractions, hotels, motels, restaurants, bus companies, airlines and receptive operators.

In the 1996 Davidson–Peterson Association economic study packaged travel industry generated over $11.6 billion to the U.S. economy, of which $9.6 billion was spent at the local level.

Today, Mr. Chairman, NTA will respond to your request for oversight commentary on the demonstration fee program. At the outset we applaud the innovative attempt by the U.S. Congress to create opportunity for public land agencies to apply on-the-ground, real world experiences in crafting the greatly expanded entrance and use fee program.

Since the adoption of the fee demonstration program it has been NTA's predominant experience that the National Park Service has established an agency policy to do whatever it can to make the congressionally mandated fee demonstration program succeed.

Regrettably NTA cannot express the same positive experience with the United States Forest Service during this same demonstration fee period.

At the Committee's May 11, 1995 hearing on recreation fees on public lands, NTA's President, then Secretary-Treasurer, Keith Kerfall enunciated four basic appeals to the National Park Service in adopting any kind of fee program.

First, there should be equitable fee comparison between the individual and commercial group visitor. Second, Kerfall pressed for adequate notice because most tour operator's package 12 to 18 months in advance. Third, NTA urged the opportunity to be heard for all impacted individual, group, and recreational park visitors before the fee is adopted. And finally, Kerfall appealed for uniform commercial and business use fee structures throughout this 370-plus units of the national parks.

From the industry's initial commercial fee crisis of September 19, 1994 in which the National Parks Conservation Associates inciden-

tally an ally in resolution, to the Yosemite National Park use permit panic of March 1995, the National Park Service has made constructive efforts to respond to NTA's basic fee fairness concerns.

This ongoing communication culminated in the December 1996 announcement of the individual and commercial visitor fee program. With that fee program there was certainly an attempt to establish equity or parity as between the individual visitors and all other users of the national parks. There was a 12-month deferred period to enable the tour packager to catch up with the impending increase in fee. And while all problems with demonstration fee programs have not been ironed out, all parties have experienced substantial progress toward the practical implementation of the public-private goal.

Further, the National Park Service took the NTA 1995 plea for park uniformity seriously and established the—tier structure system. Our park partnership interaction continues with meetings that continue this last month in Phoenix—Another meeting in the upcoming month in Phoenix—to work out some of the park fee problems at the Grand Canyon National Park, as between the various tiers of commercial entrants.

Mr. Chairman, you asked me to address another realm of less successful fee demonstration resolution with the ill begotten air tour commercial fees at Grand Canyon, Haleakala and Hawaiian volcanoes. These fees were adopted without any industry opportunity to be heard or even Park Service support testimony by the former National Park's authorizing committee in the 1993 budget reconciliation Act.

I have included in my testimony, Mr. Chairman, an enumeration of all the fees that are presently being paid as a consequence of operating an air tour to and from the Grand Canyon. The cost per visitor is anywhere from $20.35 to $24.13, which is double the comparative cost for any other park entrant. The largest percentage, 70 percent estimate, air tours do not land and take off from NPS ground. There is a comparative user inequity for the air tour fee.

The air tour viewer utilizes no services, receives no direct benefit of any kind. The air tour leaves no footprints, sandwich papers or evidence of restroom use at the Grand Park or the Hawaiian Park. It is without a question one of the most environmentally sensitive ways for a disabled, physically limited, time-constrained visitor to see the aerial grandeur of both the Grand Canyon and the Hawaiian parks.

There is no precedent for an entrance fee for only visual appreciation of a national park. There is a fleeting air noise impact that has almost been totally eliminated by Public Law 100–91 and SFAR 50–1. This is proven by the 1993 Park Service survey in Grand Canyon National Park. Ninety-five percent of the ground visitors reported no aircraft noise from whatever source. Interference with their park experience in 1996—only 25 written complaints out of 5 million park visitors about aircraft noise from the plane.

At least to date no other Federal agency has attempted to start taxing airspace users for sound impacts. With your direction and reinforcement, Mr. Chairman, I believe we can find a sensible resolution to the 1999 National Park authorizing legislation.

Finally, again, speaking to the overall program, Mr. Chairman, the NTA applauds this unprecedented opportunity to work together with all the land management agencies. We hope you will authorize this partnership problem-solving program for at least 2 more years beyond the 3-year termination date for the existing program.

Thank you for the opportunity to share my experiences and recommendations with you, Mr. Chairman.

[The prepared statement of Mr. Santini may be found at end of hearing.]

Mr. HANSEN. Thank you very much. Mr. Mackey.

**STATEMENT OF CRAIG MACKEY, PUBLIC POLICY LIAISON, OUTWARD BOUND**

Mr. MACKEY. Good afternoon. I represent Outward Bound USA, which is a non-profit educational institution and a leader in wilderness and experiential education.

For 37 years Outward Bound has had the privilege of conducting extended back country expeditions to teach leadership, self-reliance and wilderness skills.

Quite simply, parks, public lands and wilderness are our classroom. The Outward Bound system in this country has five wilderness schools and two urban centers. With operations in 25 states and on scores of Federal resource units, we witness the fully array of agency policies, procedures and fees.

I represent a leader in wilderness education. I also speak to you as an outfitter. Outward Bound and other leading educators such as Wilderness Inquiry and the National Outdoor Leadership School (NOLS) operate as full commercial users of the public land.

In my comments I will address our support for fees and Outward Bound's experience with fees in the fee demonstration experiment, including the issues of multiple fees, notification on fees, consistency of fees, and the need for equitable fees.

On our support for fees I'll be brief. Public lands, as I said, are our classroom. Outward Bound pays fees, probably more fees on more units than any single entity in the country. We recognize the need for and the merits of proper administration and maintenance of our public resources.

That is why outdoor groups such as Outward Bound, NOLS, the Outdoor Recreation Coalition of America, and others supported the fee demonstration program.

To talk about the Outward Bound experience with fees, I'll touch on four issues. First, multiple fees. Fee demonstration has quite simply produced fees upon fees. The most I've seen paid on a given unit is five. Four is not uncommon. The usual suspects—franchise fees, back country and camping fees, entrance and trail head fees, parking fees and per-head-per-day fees. For each fee the time, point or method of collection may vary.

Also, as fees increase, we need to remember and ensure that our Federal lands remain open to all economic classes among the public.

The second issue I would mention is notification. When you think of outfitters, think of small business. We set budgets, establish costs, market and advertise. At Outward Bound our catalogs go out a year in advance. The competition is quite simply brutal.

In one national park we are staring at a new fee that will increase Outward Bound's costs from $303 in 1997 to over $7,000 this summer. The fee is proposed to start in May. As of this testimony today we have no written notification from the Park Service.

In another example, both Outward Bound and NOLS have had a van-load of students stranded outside an entry station while our field instructors located cash to pay a new or increased fee.

The third issue is consistency within each of the agencies. The discrepancies in how fees are calculated, assessed and paid are dizzying. One unit requires a single permit and a single fee for sea kayaking, mountaineering and ice climbing activities. Another unit will charge a separate fee for each of those activities.

The fourth issue I would mention is equity. And here I'll highlight compliance. Focus on Outward Bound for a minute as a back country user. Our students comply with fees at a rate of 100 percent. In the case of the BLM and Forest Service, other back country users typically pay no fees or only voluntary fees. This includes the public and most institutional groups such as scouts, church groups and university programs.

If fees are the future, will the agencies find the resources to monitor and manage dispersed recreation such as Outward Bound's use or will the outfitter continue to carry the load? If fees are indeed the future, fee demonstration must answer these and other fundamental questions.

In fee demonstration there have been successes. Public acceptance is higher where fees are equitable, stay with the resource and the results from agency-reinvestment are tangible. We know the Park Service is issuing directive to eliminate some of the duplicative fees that I talked about, and local Forest Service staff revamped a significant per-head-per-day-fee in the boundary waters based on public and outfitter input.

In summary, Mr. Chairman, many questions remain. Outward Bound is here today in support of fees and in support of the fee demonstration experiment. Outward Bound would recommend that this experiment run its course. It's too early to make the program permanent based on 1-year's performance, and we'd ask that oversight activities such as this hearing today and the report that was submitted on January 31, continue.

And in the future at the appropriate date Outward Bound and other members of the outfitter community would be happy to sit down with members of this Committee and help draft permanent fee legislation.

Thank you for the opportunity.

[The prepared statement of Mr. Mackey may be found at end of hearing.]

Mr. HANSEN. Thank you. Mary Margaret Sloan, you have the floor.

**STATEMENT OF MARY MARGARET SLOAN, CONSERVATION DIRECTOR, AMERICAN HIKING SOCIETY**

Ms. SLOAN. My name is Mary Margaret Sloan, and I am the conservation director for American Hiking Society, a national nonprofit organization serving 10,000 individual members and the more than 500,000 members of our 120 affiliated clubs.

American Hiking supports the current recreation fee demonstration program for a number of reasons. Revenues stay in the unit, the oft-stated intent that appropriations will not be offset by the fees, and because the fees address the enormous need for on-the-ground funding. However, it is our opinion that the demonstration program is not being implemented with uniform, good success.

The purpose of the demonstration program is to encourage the land management agencies to creatively implement different fee collection projects. Some of these projects are just now getting underway. We have not had an opportunity to adequately evaluate the effectiveness of the fees or how the agencies are spending their revenues. We urge the Subcommittee to let the demonstration program run its course and wait until 1999 or beyond to propose a permanent program.

In order for this Subcommittee and the Congress to create a successful and positive recreation fees program, the concerns of hikers and other recreationists paying the fee should be carefully considered. To that end, American Hiking suggests several principles which can contribute to a successful program, some of which are a part of the current demonstration program and some which should be added or changed.

First, the fees must be fair and equitable and not prohibit anyone from visiting our public lands. Second, the fee collection must be convenient and not unduly interfere with the recreation experience sought by the park visitor. Third, any fee system must consider and encourage park volunteers, and fourth, the legislation should clearly state that fee revenues should not offset general appropriations.

Fees which are assessed against the general public for parks and forests must be fair and equitable. Multiple layers of fees are onerous and may discourage lower-income Americans from visiting our public lands. I have excerpted a letter from an AHS member from Austin, Texas, and I quote:

> "May 8, 1997. Perhaps you can't be of help, but I just need to know what can be done, if anything. During the first week of June 1997, I'm taking my oldest daughter, her husband, and six of their children to the Grand Canyon. My daughter is a cafeteria aide and her husband is a porter at a local car dealership. These are obviously low-income people, and it's because of my determination that they're going on this trip at all. I have already paid $60 for two campsites at Mather Campground at the Grand Canyon, but I am hoping there is not an additional entrance fee or per-person fee like I read. Since I'm also planning on taking them to the Petrified Forest and Painted Desert, and possibly some other natural parks and monuments on the way there and back, including Carlsbad Caverns and Guadalupe Mountains, this means additional entrance fees, et cetera. At any rate, all of these entrance fees will take a heavy toll on my daughter and her husband.
>
> "Is there anything you can advise me to do to help cut the expense of this family vacation? We had started planning this last year, well before the demonstration fees were mentioned, and my children were rather discouraged when they took effect."

That's the end of the letter.

Because of the cumulative fees, this woman did not take her grandchildren to the Grand Canyon in 1997. This letter demonstrates the need for more sensitivity to those who are less well off. Even so, this woman's complaints transcend income. Simplicity and affordability should be the order of business for the Federal agencies. Fees, particularly in popular parks like the Grand Canyon should be re-evaluated for their impact on lower-income communities.

Entrance and user fees should be reasonable and convenient and unobtrusive into the hiking and trail experience. Fees should apply to as wide an area as possible. Regional or statewide fees are optimal.

In November 1997, the Mountaineers, a 15,000-member outdoor recreation and conservation group based in Washington State, hosted its second annual user fee conference. Attendees voiced strong support for a regional fee requirement. They also complained about the current multiplicity of user fees, with a different sticker required for every trailhead, which leads to frustration, makes compliance difficult, and will likely result in keeping all but the wealthiest citizens off of public lands.

All of the land-managing agencies should actively cultivate and pursue volunteers as one way to offset budget shortfalls and to generate public support and goodwill.

May I have one more minute to conclude?

Last year, the USDA Forest Service issued a forestwide memorandum encouraging the forests to work closely with current volunteers when implementing a new fee, and also to use fee waivers to encourage increased volunteerism. American Hiking thinks fee waivers for on-the-ground volunteer work will prove to be a useful tool for the forests.

American Hiking Society feels quite strongly than any revenue generated from the fees should not be used to offset appropriations. We hope that this intent will be made clear and prominent in any recreation fees legislation.

Thank you for the invitation to testify. I look forward to answering any questions the Subcommittee may have.

[The prepared statement of Ms. Sloan may be found at end of hearing.]

Mr. HANSEN. Thank you.

Our next, Holly Fretwell, we turn the time to you.

## STATEMENT OF HOLLY FRETWELL, RESEARCH ASSOCIATE, POLITICAL ECONOMY RESEARCH CENTER

Ms. FRETWELL. Thank you. First, I'd like to commend Congress for creating the fee demonstration program. It is a great step toward self-sufficiency in our popular national parks. The program has already generated in excess of $45 million for selected national parks. These parks have been able to keep 80 percent of the new fee revenues. New legislation offers even greater potential for self-sufficiency by allowing participants to retain 100 percent of fee revenues.

I'm here today to urge Congress to make additional reform, so that our popular parks can become totally self-supporting, at least

operationally. Why self-supporting? Requiring parks to be self-supporting will motivate managers to create more services for visitors, maintain our parks in better condition, and importantly, to become financially responsible in this process. Right now we have very little incentive for financial responsibility at our parks. Exorbitant spending for our employee housing and $330,000 outhouses are simply two examples of wasteful spending in our parks.

It's not very well-known, but our early national parks were created on the premise that they would be operationally self-sufficient. In 1916, five of our national parks, indeed, were operationally self-sufficient, with fee revenues exceeding operating expenses.

Here are some of the remaining shortfalls that stand in the way of our parks to become self-sufficient:

First, only one-fourth of our parks are now part of the fee demonstration program. There are a lot more parks that could be added to this.

Second, despite the recent fee hikes, entrance fees are still unrealistically low in many parks. For example, the Golden Eagle Passport costing only $50, allows a carload of passengers to enter as many national parks as they like, as many times ad they like in a single year. This fee could be considerably higher. The Golden Age Passport allows senior citizens the same right. It costs them only $10 for an entire lifetime. Now this is a group that is being subsidized greatly here, and I do believe they are capable of paying at least a reasonable fee.

Entrance fees at Yellowstone and Yosemite are still fairly low, even with the fee demonstration program. It costs only $20 for a family of four to visit Yellowstone for seven consecutive days. In comparison, that same family would pay $40 to visit Disneyland for a single day, and they would pay an equivalent or more than the $20 to see a movie for a day—or for several hours at that. Changing fees in our parks to reflect market prices would not only raise revenues in our parks, but it would also begin to address some of the overcrowding problems that plague our national parks.

Third, we need stronger incentives for park managers to spend funds wisely. Presently, managers are motivated to spend all the funds they are allocated. We could change this motivation by allowing cost savings to remain as a future budget enhancement in our parks.

Our State parks are a great example and show us self-supporting parks are a realistic goal. There are now 16 State parks that generate more than half of their operating costs from user fees. New Hampshire and Vermont are 100 percent self-sufficient in their park operations. Dramatic changes have taken place in many parks. Texas and California, for example, have encouraged increased fee revenues and budget cost savings. State parks are becoming better stewards of the land, and they are responding to visitor demand. Many parks are making greater efforts to manage the resource amenities.

Thanks to Congress, the National Park Service is making progress for autonomy at selected national parks, but further changes are, indeed, needed. I recommend the following:

Congress should begin by holding appropriations to individual parks at current levels. Future budget increases would come from

higher revenues and cost savings. Congress must allow managers to institute their own fees, taking into account rising demand and park resources. This could address some of the facts we've discussed today, such as resident and nonresident fees and peak-season and shoulder fees.

Congress must also allow park managers to keep all costs savings as an enhancement for subsequent year's budget. For responsible capital spending, each park should have a park endowment fund. This could be spent at the discretion of park management for capital maintenance and improvement. Funds could come from a portion of concession receipts or user fees or private investment in the form of bonds.

Again, I would just like to reiterate that allowing parks to be self-supporting motivates managers to respond to park visitors and park resources, and at the same time it encourages fiscal responsibility.

Thank you so much for allowing me the opportunity to speak today.

[The prepared statement of Ms. Fretwell may be found at end of hearing.]

Mr. HANSEN. Thank you.

The gentlelady from Idaho.

Mrs. CHENOWETH. I have no questions, Mr. Chairman.

Mr. HANSEN. Thank you. That was very interesting testimony. I'd be very curious how we would work that endowment fund. We've thought about that around here a few times.

I have a few questions, but I'm supposed to get out of this room in a little while. So if it's OK with everybody, I'll dismiss you and move to the next panel.

Panel No. 4: Mr. Bachrach, Mr. Dingman, and Mr. Coyne. Would they all come forward, please?

Is that right; is it Bachrach?

## STATEMENT OF JOHN CHRISTOPHER BACHRACH, TREASURER AND BOARD MEMBER, GRAND CANYON PRIVATE BOATERS ASSOCIATION

Mr. BACHRACH. Bachrach.

Mr. HANSEN. You're first.

Mr. BACHRACH. I've heard way worse.

Mr. Chairman, thank you for this opportunity to share our thoughts on the demonstration fee special use cost recovery programs. My name is John Bachrach, and I've come from Flagstaff to represent the Grand Canyon Private Boaters Association. We are a 501(c)(3) nonprofit corporation that was formed in 1996 to give a voice to the private, noncommercial, or self-guided river-running population who, until now, have had no voice in Park Service policy matters that affect the boating community.

Briefly, I will outline the fees a person must pay in order to conduct or participate in a private, self-guided river trip on the Colorado River. These fees include two different authorities: cost recovery and fee demonstration.

First, the cost recovery program: In order to be accepted onto the Grand Canyon National Park's wait list, you must pay $100. Then

to remain on this list until your turn has come up, you will have to pay $25 per year. The current wait is likely to be 18 years. Therefore, you will pay a total of $550 before you ever see the river. When you're finally able to launch, you'll pay another $200.

Second, the demonstration fees: Under this authority, you and each participant in your trip will pay $10 for entry into the park and $4 per night for every night spent in the park. Combined, these river-running fees constitute a 1,200 percent increase and were implemented with no public input.

Before the Grand Canyon Private Boaters Association could support continued advocation or further expansion and implementation of the fee demonstration program, we would need to be assured that the program meets several important criteria. They are as follows:

One, fees must be applied equitably and fairly to all persons, businesses, and corporate entities engaged in similar activities on America's public lands.

Two, fees must not be used as a tool to limit access to America's public lands or waterways.

Three, fees must be consistent in both their assessment and administration.

As a group, we are very concerned that the fee demonstration program does not currently pass any of these fairness tests. In the case of the Grand Canyon River-running, fees are not presently applied fairly to all users engaged in similar activities. Most of our members and the private boaters we have surveyed have no objection to paying their fair share of the park's operating costs. In contrast to the collected noncommercial fees, fees paid by the commercial outfitters are not used to recover the Park Service's management expenses. Outfitters pay franchise fees, and in the case of the Grand Canyon, river-runners pay—river outfitters pay into the Colorado River Fund. Neither of these is used to offset river operations costs.

Consequently, outfitter patrons pay no fees directly to the park. A system that provided for the commercial patrons to pay the same fees for similar uses as the self-guided, in our view, would be a fair system.

The imposition of fees has apparently been used as a tool to limit access for the private boater in the Grand Canyon. The Department of Interior's press releases assure the public that they would be involved in the development of the fee demonstration program process, but as far as the Grand Canyon is concerned, not one public hearing was conducted before the announcement and implementation of the new fee structure. This sudden and enormous fee increase took the boating public by surprise and resulted in slowing the growth rate of the park's wait list by 30 percent.

In 1998, for the first time in the history of the Colorado River running, the total number of hopefuls on the wait list declined by more than 1,000. This is the number of people out of 6,000 who did not renew their names on the waiting list. If the point of raising the price was to discourage self-guided use of the Canyon, then the fee demonstration program has been a success.

The long wait, coupled with the high fees, has nurtured the feeling among the river community that the annual fee is actually a

penalty meant to discourage them from future participation. Current and former Park Service employees at the Grand Canyon have stated that they felt fee demonstration charges were being used to curb the growth of the park's private boating wait list. Park staff had calculated an attrition rate of up to 30 percent for the noncommercial boating wait list.

The current fee demonstration program is inconsistent and unfair when compared with other fee programs imposed on public lands. Comparing the use of public lands by cows to humans would seem ridiculous, but those of us living in the West know from simple observation that overgrazing by itself causes more damage to the resources in question than wilderness use by most humans. Boaters and hikers are now paying $4 per night for every night they spend in the Grand Canyon. Presently, it costs less than $10 for a cow to spend a year in the wilderness. This comparison looks even more extreme when fitted into the larger picture that includes annual fees for mining, logging, and other resource-consuming activities that take place on public lands.

Additionally, we are concerned with the classification of river-running at Grand Canyon National Park as a special use and the precedent that special use classification may set for other low-impact, human-powered activity on public lands. Because Grand Canyon National Park has classified noncommercial river-running as a special park use, the park attempts to recover 100 percent of the cost of managing this use, in contrast to other park activities, which receive almost all their funding from the park's general fund.

Special park use includes activities that are outside of the normal range of activities in a park—for example, holding a wedding ceremony or filming a movie. Historically speaking, one of the first uses of what eventually became Grand Canyon National Park began with river-running and a character named John Wesley Powell. A river trip on the Colorado is a special experience for sure, but river-running is definitely not outside the normal range of activities in the park, and therefore, we feel that it is not a special use.

In closing, before private boaters can support the fee demonstration program, we need to be sure that the criteria for fairness is in place. We once again submit the following as guidelines:

One, fees must be applied fairly to all users engaged in similar activities.

Two, fees must not be used as a tool to limit access.

And, three, administration of fees must be consistently assessed to all resource users.

We sincerely thank Representative Hansen's office for this opportunity to present our perspective.

[The prepared statement of Mr. Bachrach may be found at end of hearing.]

Mr. HANSEN. Thank you very much. That's an interesting comparison you had there.

Mr. BACHRACH. Thank you.

Mr. HANSEN. Mr. Dingman?

**STATEMENT OF ROBERT DINGMAN, AMERICAN MOTORCYCLIST ASSOCIATION, WASHINGTON, DC**

Mr. DINGMAN. Mr. Chairman, my name is Robert Dingman, and I'm the Washington representative of the American Motorcyclist Association, an organization with over 222,000 motorcycle enthusiast members. I have a written statement, which I will summarize, and ask that it be included as part of the official hearing record.

Derrick Crandall discussed five essential principles which must be contained in any recreation fee proposal. We would like to lend our voice to the call for a fee program which contains those elements.

Many of the fees imposed under the recreational fee demonstration program, however, have not met the essential criteria that the fees be coherent and integrated. My comments pertain specifically to the U.S. Forest Service and the Bureau of Land Management, as the other agencies don't provide recreational opportunities for off-highway vehicle enthusiasts.

Several States have for many years had user fee programs that are funded by the payment of registration fees for off-highway vehicles, and a small percentage of State motor fuel tax, which are returned in the form of grants to various land management entities, including Federal land management agencies, for the development, operation, and maintenance of recreational facilities.

For example, as Mrs. Chenoweth already mentioned, the State of California has perhaps the best-known such program, which is commonly referred to as the Green Sticker Program, named for the registration sticker required on vehicles ridden in areas funded by the program.

Both the U.S. Forest Service and the Bureau of Land Management are beneficiaries of the program. According to data provided by the Off-Highway Vehicle Division of the California Department of Parks and Recreation, over the last several years Federal land management agencies have received an average in excess of $10 million per year in grants from the Green Sticker Program. Another such program can be found in the State of Utah. According to Utah's Department of State Parks and Recreation, the income generated in 1997 from both the $12.50-per-year off-highway vehicle registration fee and a portion of the State motor fuel tax is in excess of $1.2 million. Of this amount, $175,000 was available in 1997 to Federal agencies for grants to off-highway vehicle facilities. The Forest Service applied for, and received, just $74,000 of this money. The BLM didn't even apply for any grants, leaving over $100,000 unexpended. With this amount available to land management agencies going unexpended, it doesn't seem necessary to impose any additional fees on the off-highway vehicle community.

When the AMA last provided testimony on the subject of the imposition of fees at public recreation facilities, we expressed a lack of confidence in the ability and willingness of the land management agencies to conduct a program which provided the necessary protection against the duplication of fees. We cautioned against providing the agencies the latitude to impose a redundant fee on the user group already paying for access to a particular facility, simply because it was easy to charge them again.

The progress report on the fee demonstration program has proven our concerns to be well-founded. When the Forest Service and the BLM issued their initial proposals for areas to be included in the fee demonstration program, both proposed to charge fees at some of the most popular off-highway vehicle areas, ranging from $3 to $10 per day per area, while continuing to submit grant requests from State-imposed user fee programs that amount to an average of $1 million per grant per area. That's right; our worse fears were realized.

Consider, if you will, the motor fuel tax and the registration fee comprising two layers of fees. The agency has proposed to impose what amounts to a third layer of fees on a single group of users who has been paying their way all along. As you can imagine, the outcry from the off-highway vehicle community was intense. As a result of this outcry, some of the most popular areas in the California desert district, managed by the BLM, were temporarily taken off the list. I understand, however, that they are slated to be reproposed in the near future.

In fact, over the President's Day weekend, fliers were apparently distributed by the BLM which announced that fees would be imposed beginning this April at the popular off-highway vehicle area, Imperial Sand Dunes Recreation Area. This area already receives nearly three-quarters of a million dollars a year from the California Green Sticker program. The Forest Service only gave the off-highway vehicle community lip service when it came to discussing the areas they had proposed for inclusion in the pilot program, which were already being funded with user fees. They publicly expressed a willingness to evaluate the areas they had chosen, but never took any areas off the list.

One good example of this is the so-called Enterprise Forest, or the Southern Province Forest, comprised of the four national forests in southern California. The situation on the Enterprise Forest illustrates the third layer of fees that the off-highway vehicle community has been asked to pay. Since the demonstration program, in addition to needing a green sticker on their vehicles, off-highway vehicle enthusiasts have needed to purchase an adventure pass in order to park their trucks and tow vehicles in staging areas that were built and maintained with Green Sticker dollars.

Recently, an AMA affiliate, the Central Coast Motorcycle Association, held a Sunday event in Los Padres National Forest—if I might, I have just a little bit more—held a Sunday event in the Los Padres National Forest, one of the Enterprise Forest units. Forest Service agents were on hand to sell the adventure passes to early arrivals on Saturday, but due to the popularity of the event, the agents ran out of permits early Saturday afternoon. The Forest Service could not find any agents willing to work on Sunday to sell the passes, but did manage to find law enforcement officers willing to write tickets to every attendee. Even those who had managed to buy a pass on Saturday before the supply was depleted were not left out. The passes were for calendar days, not for 24-hour periods. Since they had by then spent the night camping out in the forest, the unlucky participants were now in violation.

Neither the Forest Service nor the Bureau of Land Management has done an acceptable job of ensuring that the fees they impose

are coherent and integrated. The AMA would only support permit fee authority for the land management agencies provided that safeguards were put in place to ensure that our essential criteria are met.

Perhaps permanent fee authority could be provided in a manner which would allow fees imposed by States and then transferred to Federal agencies in the form of grants to be scored as a fee generated by a land management agency for the purposes of satisfying their responsibility for developing revenue from fees.

The challenge for land management agencies, it seems to me, is to develop innovative ways of collecting fees from visitors to the facilities they manage, who have not traditionally been asked to pay for the privilege of visiting those facilities. Instead of meeting this challenge to their fullest potential, the Forest Service and the Bureau of Land Management have, from our perspective, taken the easy way out and imposed fees on individuals from whom they have already figured out a way to get fees.

Thank you for the opportunity to provide these comments as part of the official hearing record today. I'd be happy to answer questions.

[The prepared statement of Mr. Dingman may be found at end of hearing.]

Mr. HANSEN. Thank you very much.

Mr. Coyne?

**STATEMENT OF ALASDAIR COYNE, CONSERVATION DIRECTOR, KEEP THE SESPE WILD**

Mr. COYNE. Mr. Chairman, it is my honor to appear before you today, to discuss Forest Service access fees, and my responsibility to inform you that this well-intentioned program threatens many of the principles held dear by Congress and the Forest Service, while eroding public confidence in the government's ability to serve our common good.

In several decades of civic activism, I have never seen so many people so outraged at a government program. The program is upsetting a great number of people, far out of proportion to the minimal fees collected. Democrats are upset at the commercializing of public land. Republicans are upset about the inefficiency of a program rooted in the idea of running government like a business. Hunters and fishermen are incensed at an additional fee on top of their licenses. Hikers are upset at the very principle of being forced to pay, to enter our National Forests. As one outdoor enthusiast was quoted in The Ventura County Star, "The Adventure Pass has proven wildly unpopular with forest users." I have always believed that Forest Service lands belonged to all Americans. How meaningful is the land of the free, when they are charging us just to walk in our National Forests?"

I believe that this fee-for-access program should be abandoned out of respect for the 100-year tradition of free and unfettered access to our National Forests. I believe that this is a principle truly worth fighting for.

Let me make a few important points about the Progress Report you received in January. This program is not generating nearly the funds projected, nor does it apply the funds that are raised to For-

est maintenance, as promised. The Forest Service stated when this program was initiated, that it would generate a wealth of new revenues and would allow "80 percent of all the fees collected to go into the recreation maintenance budget of the National Forest where collected."

The best attempt at whitewashing cannot cover the fact that this is a tremendously inefficient program. Despite its lofty goals, a mere third of the fees collected were available for recreation facilities in southern California, after the first summer. For Los Padres Forest, next to my home, Forest Service documents put that figure at only 12 percent. This is despite the fact that the costs of the program have been severely underestimated and do not include the considerable dedication of time by district rangers, recreation officers, and Forest police, whose salaries are not subsidized by the fees.

The Report does not indicate how much of the fee income went to staffing and enforcement, often the largest expenditure. In fact, the Report is not even clear on how much was collected through these fees. The Forest Service has two sets of figures for fee receipts in 1997 in the same Report: $9.9 million and $8.7 million, for the same period of time.

Forest Service usage figures are also inconsistent. The Report states that fee demonstration sites totaled only 4 percent of total 1997 visitation. The Forest Service has elsewhere estimated that California represents 22 percent of nationwide Forest recreation use. How, then, can it be that the four participating southern California Forests, covering half of the State's population, can comprise only a fraction of 4 percent of total visitation? The Forest Service simply has no idea about true usage rates, and dangerously less about the impact of this unpopular program on those rates.

The anecdotal evidence is strong that this program is generating distrust of the Forest Service and disuse of the Forests. Any survey which concludes that the majority of Forest users support access fees is a work of fiction. Evidence supposedly based on comment cards, cannot hope to capture the opinion of most users, when the majority of users are not estimated to be complying with the program.

The Report calls for the development of a customer communications package. Meaning the need to find a better way to sell something to the public that it clearly doesn't want to buy. Forest Service materials now refer to us as "customers," and Forest Service Chief of Staff Francis Pandolfi says, speaking of recreation, "For the first time, we are selling a product."

But the public already owns the land. We don't want to buy it back a la carte. We expect Congress and the Forest Service to manage it without doubly taxing us through both access fees and annual Federal income taxes.

Here the Report gives the lie to the entire fee-for-access program. The maintenance backlog for the Forest Service is currently estimated at $1 billion. Expected contributions to this backlog from the 40 participating sites for 1998, will constitute only 0.38 percent of the backlog. At that rate, this program will take over 250 years to successfully replace the failed responsibility of Congress to adequately fund Forest recreation facilities.

Forest users are not dumb. We are willing to pay more for campground facilities, but not to surrender all Forest access while the Forest Service loses approximately $400 million a year through road building and below-cost timber sales to logging corporations. It is impossible to miss the corporate interest in privatizing the Forests and "Disneyfying" public lands through concessionaire rights.

What is difficult to understand is the need to surrender the public trust to these corporations. Government should be efficient, but it cannot hope to be a business. Forest rangers should not be meter maids, and their Supervisors should not be PR flacks. The Forest Service mission is, frankly, more important than any commercial enterprise. It begins with protecting the land and ends with enabling everyday Americans to enjoy nature without commercialization. When Congressman Jim McClure of Idaho warned that people would not want to pay to see the sun-set, he hit the nail on the head.

Mr. Chairman, you are here today because you have demonstrated, with members of this Subcommittee, great skill in reading the public mind and responding to its will. It is my belief that my presence before you can help serve that purpose by bearing witness to an unpopular, unsuccessful program that is unworthy of your continued support.

I thank you for your time, and hope to commend your good judgment.

I will leave for the record these 14,500 petition signatures against Forest access fees, collected from the San Bernardino Forest.

Thank you.

[Signatures are on file at the Committee office.]

[The prepared statement of Mr. Coyne may be found at end of hearing.]

Mr. HANSEN. Thank you. We appreciate your comments, Mr. Coyne.

I know many of you have reduced your testimonies to stay close to the time. We appreciate that. Feel free to submit to us, though, whatever you may have.

It's very difficult to come up with a way to analyze all of these things and take care of all the needs of all the public lands, and it's not an easy task. So we'll muddle our way along. Hopefully, we can do something fairly right, and see where we go. Keep in mind there's 535 people up here that will have a hand in this. So we'll hope it comes out right and is fair to the American taxpayers.

All of you have made excellent point, and I really truly appreciate it. Thank you for coming. I know it's sometimes frustrating to come to these hearings. You wait while we go out for votes and you're cutoff on time. That's the frustrations of Congress; we go through the same thing.

I thank you all for being here and appreciate your testimony.

And this hearing will now stand adjourned.

[Whereupon, at 12:53 p.m., the Subcommittee adjourned subject to the call of the Chair.]

[Additonal material submitted for the record follows.]

STATEMENT OF JOHN BERRY, ASSISTANT SECRETARY FOR POLICY, MANAGEMENT AND BUDGET

Thank you Chairman Hansen and members of the Committee. I am pleased to talk with you about our experiences, mostly positive I might add, as we have implemented the Recreational Fee Demonstration Program over the last year and a half. As you know, this program has been a joint effort on the part of three bureaus within the Department of the Interior and the Department of Agriculture's Forest Service. These agencies manage a variety of resources under a variety of authorities. Yet, for this experiment, they have worked closely and have found that they have a great deal in common.

Mr. Chairman, I have a prepared statement that summarizes our experience. I will be pleased to answer any questions to the best of my ability. With me are Maureen Finnerty, Associate Director of the National Park Service for Park Operations and Education, Dr. Richard Coleman, Director of Refuges for the Fish and Wildlife Service, and Roger Schmitt, Group Manager for Recreation in the Bureau of Land Management. Each of these persons has a working knowledge of the day-to-day operation of the fee demonstration program and may be able to address more specific questions.

Quality service to the public and accountability are two primary themes for my tenure with the Department of the Interior. Quality service to the public demands that, when we charge a fee for the public to enjoy and recreate in our special natural and cultural areas, the value of the recreation experience is equivalent to or exceeds the fee.

Accountability demands that we use recreation fee revenues wisely and in a way that enhances the quality of our visitors' experience. I am working closely with the bureaus in the Department of the Interior to develop approaches to priority setting so that we give priority to those projects that affect the public's or our employees' health and safety. I am confident that recreational fees in our Federal recreationsites remain a "bargain" and I am pleased with the progress we are making in applying fee revenues to projects that reduce our maintenance backlog.

Visitor response to the demonstration fees has been positive. Both the National Park Service and the USDA Forest Service conducted surveys to assess visitor reactions during the first full year of the Recreational Fee Demonstration Program. Overall, 83 percent of national park visitors surveyed said that they were either satisfied with the fees they paid or thought the fees were too low. In the Forest Service, over 64 percent of people who completed a survey card said that the opportunities and services they experienced were at least equal to the fee they paid.

We believe that the strong support, so early in the program, is primarily because the fee revenues have not been offset by reduced appropriations, and because receipts remain in the recreation areas in which they were collected, to be used to improve visitor services and to protect resources. Our visitors seem to be responding with greater care of the recreation resources, for there is increasing evidence that incidents of vandalism have decreased in areas where we collect recreation fees.

We also believe that much of this public acceptance came about because we involved and communicated with the public early in the process in a variety of ways. There was a lot of national press, of course, and a surprisingly large proportion of positive and supportive editorials in the newspapers. At the local levels, our agencies spent a great deal of effort working with the public through formal communication plans, news releases, meetings with local community leaders, constituent groups and advisory councils, information leaflets, explanatory videos, open houses, public workshops, comment cards, and signs and bulletin boards. These efforts were important to the success of the Recreational Fee Demonstration Program.

Though the fee authorities under the Land and Water Conservation Fund Act have for many years applied to several Federal agencies, interagency cooperation has blossomed under the Recreational Fee Demonstration Program. The participating agencies have established a record of cooperation that I believe is unprecedented in the arena of recreation fees. This is true not only among bureaus of the Department of the Interior, but also with the Department of Agriculture's Forest Service.

Throughout the process of implementing the program, fee managers from the four agencies held regular meetings to discuss progress, approaches, problems, and solutions. They have developed common approaches for evaluating the fee program. They have initiated a number of joint projects with each other, and with states and counties.

Mr. Chairman, I could go into great detail about our accomplishments, but these are already described in the joint Interior-Agriculture progress report to the Committee on Appropriations, Subcommittee on Interior. Copies were made available to

members of this Committee. Let me simply highlight some of the findings in that report.

First, a very large majority of visitor levels have been sustained during the initial year of the new fees. Our Federal recreation resources are truly public treasures. Accordingly, we must be concerned that we don't unwittingly price the American public out of the use of their resources. The initial data that we have on visitation during the first full year of the program indicate that fees appear to have a negligible impact on visitation levels. Of course, we will not be satisfied with the results of a single year's experience. We will continue to evaluate visitation as it relates to fees. We will look at those sites where visitation increased and those where visitation went down, and try to determine why. We will also try to determine whether certain income, ethnic or other groups are affected by the fees.

Second, recreation fee revenues have increased significantly in all four agencies administering the Recreational Fee Demonstration Program. Between fiscal year 1996 and fiscal year 1997, recreational fee revenues increased by 57 percent in the National Park Service, by 35 percent in the Fish and Wildlife Service, and by 11 percent in the Bureau of Land Management. We expect further revenue increases during fiscal year 1998. The U.S. Forest Service has also experienced significant revenue increases. This is good news, for it identifies a new source of revenue, in addition to public appropriations, that will allow us to improve visitor services.

Third, the agencies are evaluating a wide variety of types of fees. Some are variations of entrance fees, ranging from the individual and carload fees that are typically collected at an entrance kiosk, to the Golden Eagle passport, unit-specific annual passes, and also multi-unit passes that allow entry into several sites of the same Federal agency or several sites operated by different Federal, state and local agencies. We also are evaluating several types of user fees, for such uses as parking, hunting, camping, boat launching, dumping of sanitary wastes from recreation vehicles, and outfitter and expedition fees.

Fourth, the agencies are evaluating a wide variety of methods for collecting fees, from the typical "ranger in the kiosk" to automated collection machines, and collection by mail. We are looking at using different parties for collecting fees, including our own employees, partnership arrangements with other agencies, using volunteers, and consignment sales by vendors, concessionaires, and other private entities inside and outside of the recreation area boundaries. We have many instances in which fees are being collected under an honor system on a self-serve basis. What we learn will help us to design efficient and effective ways of collecting fees in the future.

Fifth, the agencies have found that some of the initial collection costs for new fees are higher than expected, and certainly higher than they will be over the long run. The reason for these higher costs is largely the startup and capital costs for new fees that include kiosks, entrance stations, and new equipment and supplies. The agencies are working on approaches to amortize capital expenditures over their useful life, which will give an accurate representation of their annual impact on collection costs. In addition, the agencies will look for ways to reduce the cost of fee collection. Cost effectiveness may not always be possible. In some sites, for example, the particular mix of low visitation and multiple access points may make it impractical to institute any fees at all.

Finally, the agencies have begun the process of financing maintenance backlog projects. Considering that we are only now into the second full year of the Recreational Fee Demonstration Program, and that many of the revenues were only available to the demonstration sites toward the end of fiscal year 1997, the participating agencies have begun a significant number of projects that will reduce the backlog maintenance requirements and provide public service enhancements at their recreation sites. I refer you to the initial lists of backlog projects that are detailed in the Appendix section of our report to Congress.

I would like to highlight some examples of the types of backlog projects that are underway using Recreational Fee Demonstration Program revenues. Yellowstone National Park is rehabilitating deteriorated electronic infrastructure for safety and resource protection, repairing utility systems, replacing deteriorated docks, rehabilitating trails and overlooks, interpretive exhibits and backcountry campsites, and restoring the Turbid Lake road. At Chincoteague National Wildlife Refuge in Virginia, the Fish and Wildlife Service is revising and updating kiosks to facilitate better visitor orientation, constructing hands-on environmental education learning centers, and installing photo blinds to enhance opportunities for wildlife viewing and photography. In Paria Canyon, on the Arizona-Utah border, the Bureau of Land Management used fee revenues to maintain and upgrade sanitation facilities at trailheads.

The Recreational Fee Demonstration Program has been a positive experience for the participating agencies. The agencies agree that long-term implementation of this

fee program is desirable. We wish, however, to emphasize our strong desire that any permanent authority should not take effect until after the current temporary authority expires at the end of fiscal year 1999. The test is entering its second full year, and our current findings and observations are preliminary. The full evaluation of the program will not be completed until March 1999. Yet, even at this early stage, we are pleased with the results, and would like to design a program that builds on our positive experience in implementing the demonstration effort. The Administration proposed permanent fee authority as part of the President's fiscal year 1999 Budget, with the pay-as you-go costs offset within the overall budget, and stands ready to work with Congress to enact this legislation.

There are several elements that we would recommend for permanent legislation. These elements are presented in more detail in the report, but I wish to highlight some of them. First, we would emphasize the need for flexibility to tailor fees to meet specific management and visitor needs. Recreation facilities, resources, and primary users are not alike from agency to agency, and even within agencies. When it comes to designing fee programs in the face of such differences, we simply caution that one size does not fit all. At the same time, of course, we don't want to burden the recreating public with a confusing array of fees. But we should have the flexibility to balance the needs of the recreation resources with those of the user.

Second, we think it is crucial to recognize the importance of incentives in the design of recreation fees. The provision in the demonstration program that fees be applied to on-site backlogged maintenance projects provides a substantial incentive for recreation managers to collect fees and to keep the cost of fee collection down. It also appears that the public is highly supportive of this provision. People seem much more willing to pay the fees if they know the revenues will directly benefit the resources that they enjoy.

Third, the provision that allows agencies to utilize the revenues over more than a single fiscal year can help agencies do long-range backlog reduction planning, and to implement these plans in a systematic way. The assurance of multi-year funding also strengthens agencies' ability to enter into partnership arrangements with states or non-governmental entities so that backlog reduction becomes a community effort. Such funding stability encourages long-term planning, including investment in more efficient fee collection infrastructure.

Finally, we believe that the provision that sets aside some of the fee revenues for addressing broader agency priorities would be an important element of permanent legislation. We caution that a fixed formula that returns a high percentage of revenue to the collecting site could, over the long run, create undesirable inequities within an agency. We need to consider this possibility in determining the appropriate balance between the needs of the fee collection site with the backlog maintenance needs of the entire agency.

In our final report at the end of March, 1999, we will be able to provide to Congress much more detailed findings on visitors, management issues, revenue potential, impact of fees on communities and the less fortunate, and other issues. I believe that this information will help the agencies in implementing permanent fee authority to maximize public service and accountability.

Thank you, Mr. Chairman. I or my colleagues will be happy to answer any questions you may have.

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STATEMENT OF LYLE LAVERTY, REGIONAL FORESTER, ROCKY MOUNTAIN REGION FOREST SERVICE, UNITED STATES DEPARTMENT OF AGRICULTURE

Mr. Chairman and Members of the Subcommittee: I am pleased to be here today to discuss how the Forest Service is implementing the recreational fee demonstration program. I am accompanied by Greg Super, the national Recreation Fee Demonstration Program Coordinator for the Forest Service.

Every year, almost 95 percent of all Americans engage in some sort of outdoor recreation. As the largest single supplier of public outdoor recreation, the National Forest System hosted over 850 million visits to its 191 million acres of national forests and grasslands in fiscal year 1997. People are drawn to national forests for a variety of activities, including white water rafting, hiking, camping at developed sites, skiing, sightseeing, mountain bike riding, and seeking the solitude of the primitive backcountry.

Demands for recreation opportunities are becoming increasingly complex. Forest visitors include more senior citizens, people of diverse ethnic backgrounds, urban dwellers, and people with disabilities. To meet this demand, we need more specialized resources to provide the quality experiences our visitors expect. While our fiscal year 1999 budget request increases for recreation, appropriations have remained

static while demand has increased. Increasingly, we must meet our recreation objectives through creative and innovative approaches, such as the recreational fee demonstration program and working jointly with our partners and through volunteers.

Outdoor recreation and tourism play a significant role in the national economy and are key to the economies of many local communities. Spending by recreation visitors contributes billions of dollars to the Nation's Gross Domestic Product and thousands of jobs. In addition to receipts from the recreation fee demonstration program, other revenues from National Forest System recreation fees exceed $45.2 million annually. Outdoor recreation provides the largest contribution to national economic activity of any National Forest System program.

From fiscal year 1994 to fiscal year 1998, the Agency's recreation budget averaged $217 million annually, but total annual needs for operation, maintenance, backlog reductions, and capital investments are much higher. We need additional resources to meet demands for activities as diverse as managing caves and wild and scenic rivers, providing more interpretive services, and trail maintenance. In fiscal 1997, the recreational fee demonstration program provided a much needed $8 million to address critical resource needs and enhance customer services. We expect the fees collected to increase significantly this year. For these reasons, the Forest Service strongly supports the recreation fee demonstration program (RFDP), an essential part of meeting the increased demand for quality recreation facilities and services to the public. It is critically important that base level appropriations funding continue in conjunction with the RFDP to demonstrate a clear added value to the public for their fees.

Now let me turn to the implementation of the recreational fee demonstration program.

**Recreational Fee Demonstration Program**

Congress authorized the landmark recreational fee demonstration program in fiscal year 1996 through enactment of the Omnibus Consolidation Appropriations Act for Fiscal Year 1996. The RFDP authorizes the USDA Forest Service, and the National Park Service, U.S. Fish and Wildlife Service, and the Bureau of Land Management of the Department of the Interior to test the collection, retention, and reinvestment of new recreation admission and user fees on up to 100 projects in each Agency. Before the RFDP, the Forest Service was limited to charging user fees at a limited number of developed sites and none of the collections were retained for Forest Service use. This new authority was a major positive departure from historical practice. Initially, the RFDP authority allowed agencies to retain all of the new fees in excess of a fiscal year 1995 base figure, with 80 percent of the retained fees to be used at the sites where they were collected, and 20 percent to be distributed nationally to any site under the jurisdiction of the collecting agency. However, the fiscal year 1998 Interior and Related Agencies Appropriations Act removed the base year requirement, thus allowing the agencies to retain all recreation fee revenues from the fee demonstration projects, not just the revenues in excess of the fiscal year 1995 collections, greatly increasing our ability to improve recreational sites and services. The demonstration authority expires at the end of fiscal year 1999, with receipts being available to complete projects through September 30, 2002.

The Forest Service began to agressively implement the RFDP in June, 1996, as indicated in the interagency report recently provided to Congress. By the end of fiscal year 1997, with 40 projects collecting funds, receipts from the RFDP grossed well over $8 million. An additional 45 projects will begin collections in fiscal years 1998 and 1999. Projects are being tested in 28 states in all regions of the country, including Puerto Rico.

The agency is testing a variety of fees in both developed and dispersed recreation areas. Based on survey results, public acceptance is increasing over time as people adjust to the new fees and begin to see results.

**Project Selection and Approval**

As I previously mentioned, the Forest Service had 40 approved projects collecting fees in the RFDP in fiscal year 1997; 45 additional projects have been approved and will be operational over the next 2 years. Before we approve the projects, we develop a business plan and a communications plan describing the project and how we plan to use the additional fees, we evaluate local community effects, estimate the startup costs and the cost to improve the project, explain the fee calculation rationale, involve the public in the planning process, and develop customer service feedback mechanisms.

Along with the RFDP came more responsibility and the need for tight fiscal accountability. In order to track accurately the RFDP funds, the agency had to incorporate new collection and cash management procedures, and improve local and na-

tional accounting systems to report revenue and expenses by project, forest, and type of recreation activity.

**Recreation Backlog and Enhancements**

The House Appropriations Committee directed us to use the revenues from this program primarily to reduce the maintenance backlog and provide public service enhancements. The Forest Service currently has a deferred maintenance backlog for recreation facilities and trails estimated at about $1 billion. This backlog continues to grow each year with ever-increasing use pressures and insufficient operations and maintenance resources. We spent $638,500 of RFDP collections in fiscal year 1997, addressing less than one-tenth of 1 percent of the total deferred maintenance backlog. We expect the RFDP revenues generated in fiscal year 1998 will address an additional $3.9 million of recreation and trails backlog.

Addressing the backlog component is a priority for this Administration, which is why the President included the President's Environmental Resources Fund for America Initiative in his fiscal year 1999 budget. Such an initiative would help address the deferred maintenance backlog in Forest Service facilities and provide increases for such activities as restoration and replacement of water and sanitation facilities at major recreation sites and trails. The President's budget also proposes making the fee authority permanent, which will help ensure that reducing the deferred maintenance backlog will continue to receive high priority.

**Interagency Coordination**

The RFDP has provided a unique opportunity for close coordination and collaboration between the four agencies implementing the program. National fee managers hold regular meetings to share information and provide common guidance for collecting public feedback, so that each agency's evaluations are comparable for implementing joint projects.

Working jointly across jurisdictional boundaries has proven to be very effective and less burdensome and confusing to the public. All four agencies are proud that we were able to produce a quality interagency progress report to Congress on the RFDP in a timely manner.

**Lessons Learned**

Mr. Chairman, one important characteristic of the fee program is that it is a "test" which has allowed the Forest Service the flexibility to be innovative, while making needed adjustments based on public concerns and experience. Since we began testing the RFDP in June 1996, we have learned that most of our visitors accept paying fees if the majority of those fees are returned to the local project and visible results are evident quickly.

While we have had many successes, there have also been some challenges. An example of a problem we faced was making the distinction between admission fees and user fees. According to the Land and Water Conservation Fund Act, admission fees are fees charged for general access into a recreation site or area. User fees are charged for use of specific facilities, programs or resources, some of which are within a recreation site. For many of our visitors who possessed a Golden Eagle passport or similar pass, this subtle distinction became a problem since these passports can only be used for admission fees, but not for user fees. In response to public comments identifying this concern, the Forest Service changed its policy and began to accept the Golden Eagle passport for admission to all national monuments, national scenic areas and national recreation areas on national forests participating in the RFDP. Although this reduced collections, we felt it was an important customer service improvement.

All of the participating agencies faced a number of other issues such as negotiating regional and multi-agency entrance fees; questions about reasons for collecting recreation fees; financing startup costs for new projects; cash management and employee safety; compliance regarding payment of fees; communicating with our visitors; inequities within or among agencies; local community effects; agency liability; project tracking systems; and gaining critical business and communications skills. The agencies are jointly working to address these concerns as new projects are implemented.

**Legislative and Management Improvements**

After almost 2 years of testing the RFDP, we have a number of suggestions for how the fee program can be improved and strengthened. The President's fiscal year 1999 budget assumes permanent legislative authority, which we strongly encourage the Committees to consider. I will highlight a few of the significant improvements and refer to the progress report for the detailed list of other suggestions.

•Joint Agency Effort: Congress needs to clarify authority to provide for increased joint agency efforts across Federal, state, and local jurisdictions in administering the fee program. Specific statutory authorization could help clarify the agencies' authority to enter into multi-agency and multi-governmental fee agreements, and how fees should be distributed under these agreements.

•Better Long Term Planning: Permanent authority could allow agencies to set aside funds toward expensive backlog projects that could not be funded with only 1 year's revenue. Permanent authority would strengthen the agencies' ability to enter into cost-sharing or other partnership arrangements that make backlog reduction a cooperative effort.

•Base Level Appropriations: Congress should preserve the added value provided by the fee demonstration by not offsetting appropriations with fee receipts which would undermine local public support and agency incentives.

•Broadening the Demonstration Effort: The RFDP could be expanded to explicitly include recreation-related activities, such as ski area special use permits and permits for outfitters and guides, which currently may be outside of the scope of the RFDP.

**Closing**

Mr. Chairman, we agree that long-term implementation of the RFDP is desirable. The interagency progress report highlights many successes on the ground since we began implementing the RFDP and also draws to your attention several areas that need improvement.

We will continue to evaluate during the testing period so that we may further explore ways to better administer this program.

We are pleased that overall visitor response has been generally positive. This program represents a significant step toward improving customer services and recreation facilities for those who visit our national forests.

This concludes my statement. We would be pleased to answer your questions.

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STATEMENT OF PHILIP H. VOORHEES, ASSOCIATE DIRECTOR FOR POLICY DEVELOPMENT, NATIONAL PARKS AND CONSERVATION ASSOCIATION

Mr. Chairman and members of the Subcommittee, my name is Phil Voorhees. I am Associate Director for Policy Development for the National Parks and Conservation Association, America's only private, non-profit citizens organization dedicated solely to protecting, preserving and enhancing the National Park System.

NPCA appreciates the opportunity to testify today on the issue of the fee demonstration program. Since its initiation in 1996, the demonstration program has proven valuable. It has brought more revenue into the national parks and has begun to educate park managers about public acceptance of entrance and use fees, options for fee collection, and collateral benefits and costs of increased fee collection. The program has been dynamic in raising a variety of issues that Congress should address once the program reaches its conclusion. Some of those issues include the appropriate method of interagency revenue sharing, the appropriateness of specific types of use fees, eventual fee caps, and distribution of revenues within the National Park Service. It is our hope that between this hearing and the filing of the final report on the progress of the program, this Committee will consider the issues identified below, adjust the program accordingly and make the authority permanent.

Public Acceptance of the Demonstration Program: Entrance Fees

The land management agencies' *Recreation Fee Demonstration Program Progress Report to Congress* notes that the demonstration program has met with generally high levels of public acceptance for increased entrance fees to the national parks. In 1995, prior to initiation of the program, NPCA conducted a national survey asking about the public's acceptance of fee increases. Seventy nine percent of those surveyed responded that they were not opposed to an increase from an average (at that time) of $5 per carload for a visit of up to 7 days. In 1996, NPCA again conducted a survey exploring the public's willingness to pay specific levels of fee increases. Based on per person, rather than per carload assessments, the 1996 survey showed that 56 percent of respondents would support an increase of $5 per person, with support gradually dropping to 20 percent as the increase rose to $10 per person.

The 1995 survey accurately predicted the general public support for fee increases. The 1996 survey, however, should raise some questions for the National Park Service and for Congress as the agency moves more aggressively into fee collection. The question is *how much is too much*. Clearly, the public acceptance for fee increases has limits. At many units of the park system, entrance fees have been doubled and in some instances tripled. Yosemite's fee, for example, climbed from $5 per car be-

fore the initiation of the program to $20 per car. If the NPCA survey is any indicator, the current fee levels may be approaching or may have already reached the limit of what the public finds acceptable.

National Park Service fee revenues have grown under the program from $75.7 million in fiscal year 1994 to an estimated $142 million in the current fiscal year. With 97 sites participating in the program, broadening the base of the fee program (i.e. authorizing more units to participate) should be examined before any consideration is given to raising entrance fees even further.

**Public Acceptance: Use Fees**

Unlike entrance fees, the new and elevated use fees established under the demonstration program have received mixed reviews. The Grand Canyon Private Boaters Association, testifying today, presents perhaps the most cogent examples of where the National Park Service has already stepped some distance across the line of public acceptance for fee increases. At the Grand Canyon, for private boaters, the wait to get a slot on the Colorado River is as much as 8 years. NPS has instituted a place-holding fee of $25 per year and a $100 application fee so that, on average, private boaters would pay $300 before ever dipping an oar in the water. Additional use fees apply once the boaters are on the river. While it is true that charging a fee to wait in line thins the list of those who are less serious (or less patient) about running the river, requiring $300 up-front, before ever experiencing the Colorado and the Grand Canyon seems a little excessive.

Nonetheless, this and other examples of excess can and should be an active learning experience for the National Park Service as it explores the boundaries of public acceptance of use fees. The demonstration program was well crafted, in that it allows NPS and the other land management agencies to explore different opportunities and occasionally fail without penalty any venues, use fees are a new concept both for the public and for the agency. As Congress evaluates the success of the program and considers making the program permanent, it should pay careful attention to examples like the Colorado River wait list fee and evaluate what kinds of fees are acceptable to the public and what kinds are not.

**Broadening the Scope of Fee Collection**

The National Park Service is authorized to collect fees under the demonstration program at 100 sites and currently collects at 97. Those 97 units include some that had previously prohibited collection, like Cape Canaveral NS which now charges a daily use fee. Other areas have discovered that, if appropriately applied, use fees can have collateral benefits unrelated to revenue generation. When Glen Canyon NRA established a fee at Lone Rock Campground, within 1 year assaults dropped by 71 percent, disorderly conduct violations dropped by 88 percent, quiet hours were enforced for the first time, littering decreased and family use of the campground increased. Although it is unfortunate that the parks experience any crime, clearly the fees assessed here have had a beneficial impact. In addition, smaller units, like Cape Canaveral were able to generate supplemental revenues that proved useful in addressing backlogged park needs.

In response, the Congress should consider expanding the program to all units of the National Park System and extending the demonstration period for another 5 years. This expansion would allow the Park Service to explore further both the opportunities and pitfalls of fee collection, building a more accurate record of where, what kind and what level fees are appropriate, while at the same time providing parks with badly needed *supplemental* revenue. At the conclusion of an expanded program, Congress would have a more accurate record to guide future decisions on where, when, how and how much the public should be asked to contribute for use of its park lands.

**Distribution of Revenues Among Agencies and Within NPS**

For the land management agencies, one of the most contentious aspects of the demonstration program has been distribution of the revenues resulting from the Golden Eagle passport. Purchase of the Golden Eagle passport allows free entry to all fee areas across the land management agencies. Under the demonstration program, the price for the Golden Eagle passport was raised from $25 to $50 in 1997, resulting in an increase in total NPS revenues from $5.4 million to $9.6 million. Currently, revenue from the sale of the passport is retained by the agency making the sale. When sale of the passport is opened to third parties the calculus will become far more complex, as none of the agencies will be directly selling at least some portion of the passports. The fee demonstration program was specifically authorized to spend the resulting revenues on projects visible to the fee paying public. As a matter of equity, revenues should therefore be applied to the agencies based on their share of fee-generating visitation.

Within the Park Service, the level of revenues received at some of the "crown jewel" parks matches or exceeds the total annual operations budget for those units. Grand Canyon NP is the best example, generating $19.4 million in fee revenues in fiscal year 1997, compared with an operations budget for that year of $14.6 million. There are not many units in this category, but all of the high visitation units participating in the program generate similarly high revenues. To advocates of a fee-funded National Park Service, this presents a tempting target. Those advocates, however, should realize that many of the most highly visited units also have the most substantial backlog of maintenance and infrastructure needs. Not surprisingly, visitation has a price. Grand Canyon NP alone has an infrastructure and maintenance backlog exceeding $154 million. Even with an annual contribution of an additional $15 million (the park currently retains 80 percent of the revenues), it will take Grand Canyon 10 years to address its outstanding maintenance project needs, assuming future maintenance budgets meet the needs of the park and the backlog does not grow. And Grand Canyon, like many other parks has substantial cultural and natural resource protection needs as well.

Nonetheless, as Congress considers the success of the demonstration program as it moves forward, it should consider the equity of high levels of supplemental revenues flowing into the high visitation, crown jewel parks. Units throughout the system suffer from similar problems of decaying infrastructure and delayed maintenance. The demonstration program currently distributes 80 percent revenues to the parks that collect the fees. The remaining 20 percent is distributed to the non-fee demonstration units and is used to support the management of the national fee program. As the need for additional studies (discussed below) emerge, Congress should consider evening the distribution so that the less visited and non-fee units do not, in effect, end up supporting the additional research and management of a program that generates revenues disproportionately benefiting the high visitation crown jewels.

**Additional Research Needs**

When the National Park Service finished its plan for the demonstration fee program, the Service made relatively heavy use of parks that already charged fees and simply raised them. This avoided generating some of the controversy that the Forest Service has experienced, but it also provided a narrower scope for the demonstration program than could have been achieved. Before the Congress considers making the program permanent, some additional research may be warranted to improve the agencies' level of understanding about the public's willingness to pay for entry to and use of parks supported by tax dollars.

In addition, little is known about the impact specific levels of fees have on the inclination of people to visit the parks from specific demographic and economic groups. The national parks are for all of us to enjoy and to learn from, no matter the individual's economic or social circumstance. Visitation figures since the initiation of the demonstration program indicate that the increases have had little or no impact on the public's willingness to visit the national parks.

But as the Congress, the agency and the public becomes more comfortable with higher entrance and use fee levels, we must remain always cognizant of the impact that fee increases of any and all kinds have on Americans with limited means. Additional research would help delineate at what point fees become problematic for those visitors and begin to affect adversely the demographics of park visitation. For both issues—willingness to pay by the general public and impact of fee levels on economic and demographic groups—the National Park Service should understand the effect of its actions before proposing changes, rather than proposing changes and evaluating the impacts after the fact. Acknowledging that research costs money, all such research could be covered by the revenues generated by the existing demonstration program.

**Supplementing Appropriations Beyond Public Fees**

A separate, but equally important concern for NPCA is the balance between assessing fees for the public enjoyment of the national parks and collecting appropriate fees from concessioners and other private users of the national parks who gain financial profit from their use of the parks. On Tuesday, this Committee conducted a hearing on H.R. 2993 to apply fair market value-based fees to the production of commercial photography and films in the national parks. For fifty years Hollywood and Madison Avenue have leveraged the image of the parks to improve their bottom line and have provided very little to the parks in return. It is our hope that this Congress will move to correct this imbalance before it adjourns next fall. Similarly, national park concessions reform has been on the agenda of each of the past four Congresses and has yet to pass.

Senator Bumpers has voiced his concern for the need for reform for two decades, repeatedly introducing legislation to accomplish that reform. On this side, Chairman Hansen has also expressed an interest and was helpful in addressing reform proposals in the 104th Congress. Since 1965 and the passage of the Concessions Policy Act, NPCA has been working and waiting for reform. When the last Congress was discussing new fee authorities for the National Park Service, we were outspoken in noting that fees should not be increased for the public before a more fair return to the taxpayer was achieved from the businesses that profit from the park visitors themselves. Any reform that Congress seriously attempts should increase the competition for park concession contracts, should address the standing debt to the Federal Government in the form of possessory interest held by the concessioners and should make the resulting revenues available to the parks themselves.

Our view on this issue has not changed with the passage of the fee demonstration program. Before the conclusion of the demonstration program and the consideration of implementing the experimental program on a permanent basis, Congress must address and resolve the issue of concessions reform. Failing to do so would be profoundly unfair to the park visitor and to the American taxpayer.

**Conclusion**

Thus far, the fee demonstration program has proven to be a success by almost any metric. Fee revenues have increased 88 percent since fiscal year 1994; the application of fees has shown some collateral benefits; and the participating parks have begun to address their backlog of maintenance and infrastructure needs through the new revenues, albeit at a very measured pace. But the program is still relatively new and a broad variety of questions remain unanswered.

When fee proposals were discussed in the 104th Congress, many comparisons were made between the cost of a visit to the fee collecting parks and the cost of a variety of other forms of public entertainment. The comparisons provided an interesting diversion but avoided addressing the central question of what defines an appropriate fee for visiting the national parks and using the legally available resources. National parks are not entertainment outlets comparable to Disney World or the latest Hollywood blockbuster film. They serve a very different purpose, focused on education, inspiration and preservation for the future.

Given those differences, before the Congress moves toward permanent authority for the National Park Service to set and adjust fees on its own judgment, it should require a full analysis of how the NPS expects to use and develop its authority, how it sees that fees will need to be adjusted in the next 10 years, and where (if anywhere) it intends to draw the line on fee collections for the National Park System. Before Congress provides permanent authority similar to the demonstration program, whether next year at the conclusion of the demonstration program, or after an additional 5 year extension, the National Park Service should be asked to provide a coherent plan for the fee program, detailing where and when fees will be applied, at what level fees will be applied, how quickly and to what level fees will be increased over time, and if there are any program types or areas that NPS or the other agencies have learned from experience should remain free to the public.

Above all, when Congress moves to extend the demonstration program or make the authorities permanent, it must reaffirm its intent that the resulting revenues be provided to the parks and public lands as *supplemental* revenues, *in addition to* the annual appropriations that the National Park Service and the other agencies currently receive. Despite the impressive revenue performance of a small collection of high visitation parks, the National Park System as a whole will never and should never be asked to support itself with fee revenues. In the same 1995 survey, NPCA asked respondents about their willingness to pay more in taxes to support the national parks. Overwhelmingly—79 percent—said they would. This is a strong indication of the value that Americans place on their tax-based financial support for the national parks.

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STATEMENT OF GAYLORD STAVELEY, VICE PRESIDENT, NATIONAL FOREST RECREATION ASSOCIATION

Mr. Chairman, my name is Gaylord Staveley. I'm Vice President of the National Forest Recreation Association. In our view, this oversight hearing on the Recreation Fee Demonstration Program is much-needed and very timely. We thank you for the opportunity to testify.

Our comments deal almost entirely with the Fee Demo program as it is operated by the USDA Forest Service. NFRA, established in 1948, is a national association of private-sector business owners or companies who construct and/or operate resorts,

lodges, campgrounds, marinas, and pack stations for the use and enjoyment of the public, under permits from the Forest Service. There are, by Forest Service count, some 1,700 such businesses serving the National Forest system nationwide. Overall, these businesses have a multi-billion dollar investment in structures, facilities and equipment used to serve the visiting public. They contribute millions of dollars in privilege fees to the Federal treasury every year.

NFRA's interest in the Recreation Fee Demonstration Program springs from harmful effects the program has, in its very first year, had on a number of those private sector businesses, and our concern that those effects will continue if not curbed.

We are also concerned about the effects of a permanently authorized Fee Demo program on the safety and quality of national forest recreational experiences.

When in late 1996, Congress authorized the selection of Recreation Fee Demonstration Program, it was as a three-year pilot project during which Federal land management agencies could test new access and user fees at certain sites of their choosing, to learn more about possible ways of reducing the size and scope of government while continuing to provide for the use and enjoyment of Federal lands.

By February 1997 even before the fee demo program had been implemented in many locations, some proponents were describing it as being "highly successful."

At that same time, some wild interpretations and applications of the fee demo concept were occurring in the field. Many Forest Service employees clearly considered the newer and higher fees "found money." Despite the guidance provided with the initial authorization, it appeared there was little consideration for what the market would bear, or the effect of higher fees on local communities. Moreover, the program impinged heavily on a number of private-sector businesses to whom the Forest Service had issued concession permits.

At this point I want to emphasize that NFRA is not opposed to the Recreation Fee Demonstration Area Program. In this time of limited appropriations, it may be good for the agency to have more than one source of revenue. And certainly it is not unfair to ask visitors to pay something for the use of a facility or amenity on a national forest. What we object to are the abuses of this the program and the potential for future abuses.

**Fee Demo is being used to displace and subrogate concessioner operations, and in the absence of top-down administration and oversight, we believe it will continue to be use that way.**

There has, for some time, been a faction within the Forest Service that advocates taking back the visitor services that have been concessioned out to the private sector, so those facilities could be operated directly by Forest Service personnel.

The notion of taking back the concessions initially arose from resentment at seeing private sector employees beginning to do forest-based jobs that had traditionally been done by "green shirts," i.e. Forest Service employees. Some of those Forest Service employees continue to view Fee Demo as an income base for regaining those jobs by taking back the job sites, and have begun using it that way.

During Fee Demo's first year, we have seen it used as a take-back device in the following ways:

**The peremptory modification of current permits.** The Forest Service euphemism for this is "renegotiation." When Forest Service officials withdrew the Trinity Lake Recreation Area in California from an established campground concession program, and indicated they intended to do the same thing at Lake Shasta—and were stopped from carrying out that plan the Forest informed the concessioner that the terms of the concession permit will be "renegotiated." Other concessioners who questioned Forest Service interpretations of Fee Demo have been told they are going to have the number of one-year renewals reduced as a consequence, or that "if they make waves, they will be eliminated from the forest."

**Refusal to renew a permit that had in the past always been renewed.** Several months ago the permitter who had operated the Table Mountain Campground for many years simply disappeared. When we couldn't find her we telephoned the Forest Office administering her permit to ask how she might be contacted. The Forest Service person on the other end of the line said "oh, we have that campground now—fee demo, I think it's called." This occurred in a four-forest complex the Forest Service calls the Enterprise Forest project where they are doing what we consider to be "cherry picking" concessioned sites on four urban national forests, taking back the higher-revenue sites.

**Setting a new fee and taking the revenue from it, while shifting its related maintenance cost to a concessioner.** In one situation we observed, the Forest Service began charging visitors a fee for parking in a lot that has historically been free, while requiring a nearby concessioner—as a condition of a per-

mit at a totally different location—to pay the costs of cleaning this Forest Service parking lot, its toilets and trailhead.

**Pressuring the concessioner to lower its fees so the Forest Service fee will be more affordable.** An alternate tactic has been to ask the concessioner to *raise* its fees so a new or higher Forest Service fee will seem less drastic to visitors. These tactics were used in connection with parking and boat launching.

**Refusing for several years to allow a concessioner to raise prices, so that he or she will abandon the permit;** the Forest Service can then take over the business "in the public interest." One such situation has been going on for 9 years.

A year ago, even as Fee Demo was being hailed a success, the Chief of the Forest Service was finding it necessary to issue a letter to his Regional Foresters under the subject: *"Prohibition Against Displacement of Concessions Based on Recreation Fee Demonstration Projects."*

However, many Forest Service field employees ignore the Washington office. The Chief's letter notwithstanding, new instances of fee demo impingements on concessioners continued to be reported throughout the summer of 1997.

By September, there was so much concern in the Senate that in a September 18, 1997, colloquy on the Senate floor, Senator Jon Kyl, a member of the Forests and Public Land Management Subcommittee, noted that "as private permit terms expire, it appears that at some fee demo sites there is an intent to discontinue reliance on the private sector for delivery of recreation goods and services."

Senator Larry Craig, also a member of that Subcommittee, then noted that Senator Kyl had identified a serious problem that is also occurring in Idaho. He noted the development of a new Forest Service "Heritage Expedition" program that essentially puts the agency into the outfitter-guide business.

Senator Slade Gorton, Chairman of the Senate Subcommittee on Interior and Related Agencies Appropriations, then stated that concessioner displacement was not an intent of the fee demo program.

Near the end of the first session of the lO5th Congress, the 1998 Appropriations Bill was nearly amended to reassert the parameters of fee demo. The Forest Service opposed that amendment, on the grounds that *"they don't want to relinquish their authority to take back concessions."*

**The Fee Demonstration Project is too new to receive permanent authorization.**

Not enough is yet known about the extent or manner that fee demo funds and appropriated funds can be blended to assure the continued availability of safe enjoyable visitor services on the Federal lands. It may be that the fee demo concept works better where there are gated chokepoints, as in national parks, than where entry in predominantly uncontrolled, as in the national forests.

We need to learn more about what level of fees are reasonable: Clearly, the Forest Service has a different view of reasonability than does the public—as evidenced by the fact that in many instances the public objected to demonstration fees called "fair," but did not object to them when they were lowered.

We need more assurance that demonstration fees will be used for resource protection and maintenance, and that they will not become a source of income for a Forest Service "jobs program."

Demonstration fees on a per-vehicle basis fall unfairly on escorted groups, especially those in partially filled coaches and vans. When transportation, tour, or ecotour companies must bypass national forests because of excessive fees, the public, the tour companies, the forest based concessioners, and the adjoining rural economies are all adversely affected.

If the Administration was to renege on earlier promises and treat locally collected fees as an appropriation offset, the Forest Service would be left with no other funding source for recreation and maintenance backlog reduction. We believe they would then use Fee Demo authority as a license to extract as much money as possible from visitors and concessioners, without regard for the effect on resource protection or the ability of the private sector to afford quality service.

If Forest Service recreation management—under which the concession permit system is administered—were required to operate solely on revenue from the Fee Demo program, we are certain the number and type of Forest Service demands on its private-sector permitters, already substantial, would increase further.

Many forest-based businesses are already being subjected to extraordinary financial or labor requirements as a condition for favorable consideration on issuance or renewal of a permit. For the most part these requirements are not commensurate with the term of the permit; they would have to be amortized against a longer permit or a renewed permit—neither of which can be relied on.

**CONCLUSION**

NFRA would like to see the Fee Demo program succeed, but we urge that it not be permanently authorized at this time or without legislated direction.

The Forest Service is experiencing financial and staffing problems as well as a huge maintenance backlog. More than ever, help from the private sector is needed. The Fee Demo project was sold to the concessioner community on the basis that it would provide new flexibility to the agencies and attract more private investment to the improvement of recreational and visitor facilities and services on the public lands. The effect thus far has been to discourage private investment at national forest permitted sites.

The Forest Service continues to compete against and undercut its concessioners whenever and wherever it chooses to do so. The charge to be "entrepreneurial," fed by the fee demo program, is encouraging Forest Service employees to free-lance. One Forest Service field officer told a concessioner "we don't care what Washington says, we're going to do (fee demo) any way we choose."

The program needs more time to mature, and during that time it needs the oversight of Congress and the people who will be affected by it.

Late in 1997, consideration was given to amending the 1988 Appropriations Bill to provide that:

> **Projects undertaken under the Recreation Fee Demonstration Program shall not result in:**
>
> **(a) the modification of a current concessioner authorization without willing consent of the holder of such authorization;**
> **(b) failure to renew, to extend, or to offer a new prospectus for an existing concession authorization; or**
> **(c) the displacement of an authorized concessioner operation.**

We urge the adoption of that language, along with legislation that standardizes and codifies the forest Service developed-site permit system and its developed-site concessions policies and practices.

Thank you for the opportunity to testify in this very important matter.

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STATEMENT OF JOHN BACHRACH, GRAND CANYON PRIVATE BOATERS ASSOCIATION

Mr. Chairman, thank you for this opportunity to share our thoughts on the Fee Demonstration/Cost Recovery program implemented in 1997. We recognize the importance of this issue to the huge population of people who cherish and seek to access our public lands.

My name is John Bachrach and I have come from Flagstaff, Arizona to represent the Grand Canyon Private Boaters Association. The boating public is one component of the outdoor community. We are a 501C3 non-profit corporation that was formed in 1996 to give a voice to private/non-commercial or self-guided river running population who, until now have had no voice in NPS policy matters that affect the boating community.

Briefly I will outline the fees a person must pay in order to conduct or participate in a private, self-guided river trip on the Colorado River. First, in order to be accepted onto the Grand Canyon National Park's wait list and secure a position on that list you have to pay $100. Then to remain on this list until your turn has come up you will have to pay $25 per year. The current wait is eighteen years so you will pay a total of $450. When you are able to launch you will pay another $200 for that privilege. You, and each participant in your trip will then pay $10 for entry into the park, additionally each of you will be assessed $4 per night for every night you spend in the park.

The current structure was implemented after the December 1996 Fee Demonstration and Cost Recovery Programs were authorized by Congress. River running fees were raised 1200 percent with no public input.

The concept of paying fees at Grand Canyon National Park to recreate is not new to non-commercial river runners, however the new fee program at Grand Canyon National Park is inconsistent with other recreation and use fees on public lands. Before the Grand Canyon Private Boaters Association could support continued application or further expansion and implementation of the fee demonstration program, we would need to be assured that the program meets several important criteria. They are as follows:

(1) Fees must be applied equitably and fairly to all persons, businesses and corporate entities engaged in similar activities on America's public lands

(2) Fees must not be used as a tool to limit access to Americas public lands or waterways

(3) Fees must be consistent in both their assessment and administration

As a group we are very concerned that the fee demonstration program does not currently pass any of these fairness tests.

*(1) In the case of Grand Canyon river running, fees are not presently applied fairly to all users engaged in similar activities.*

Most of our members, and private boaters that we have surveyed have no objection to paying their fair share of the parks operating costs, but in contrast to the collected non-commercial fees, fees paid by commercial outfitters are not used to recover the NPS' management expenses. Outfitters pay franchise fees, and in the case of the Grand Canyon, river outfitters pay into the Colorado River Fund. Neither of these fees are used to offset river operations costs. Consequently, outfitted patrons pay no fees directly to the park, thereby being insulated from the increased awareness generated by direct contact with park staff and park needs.

Policy should be crafted that brings to all users greater awareness of the costs involved with our public lands operations and would help instill a sense of participation, ownership and preservation among all users. Making sure commercial patrons paid the same fees for the same kinds of uses as the self-guided could help to raise awareness and would be fair.

*(2) The imposition of fees apparently has been used as a tool to limit access for the private boater in the Grand Canyon.*

The Department of Interior's press releases assured the public that they would be involved in development of the fee demonstration program process, but, as far as the Grand Canyon is concerned, not one public hearing was conducted before the announcement and implementation of the new fee structure.

The sudden and enormous fee increase to the boating public by surprise and resulted in slowing the growth rate of the parks wait list by 30 percent. In 1998, for the first time in the history of Colorado river running, the total number of hopefuls on the wait list declined by more than 1000 people out of 6000 did not renew their names on the waiting list. If the point of raising the price was to discourage self-guided use of the canyon, then the fee demo program has been a big success. The long wait coupled with the high fees has nurtured the feeling amongst the river community that the annual fee is actually a penalty meant to discourage them from future participation.

Current and former NPS employees at Grand Canyon stated they felt fee demonstration charges were being used to curb the growth of the Park's private boating wait list, and that park staff calculated an attrition rate of up to 30 percent for the non-commercial boating wait list.

*(3) The current fee demonstration program is inconsistent and unfair when compared with other fee programs imposed upon public lands.*

Comparing the use of public lands by cows to humans would seem ridiculous, but everyone of us living in the west knows from simple observation that cows do far more damage to public lands than do humans. Over grazing, by itself causes more damage to the resources in question, than wilderness use by humans. And let's not forget the cows trampling of archeological sites. Boaters and hikers presently pay $4 per night for every night they spend in the Grand Canyon, contrast that to the cost of grazing a cow for a year on public lands. If grazing were to be assessed at the same rate people are, it would cost $1460 to graze a cow for a year. Presently it costs less than $10 for a cow to spend a year in the wilderness. Hikers and boaters would be better off if they were treated equally to cows!

This comparison looks even more extreme when fitted into the larger picture that includes annual fees for mining, logging and other resource consuming activities that take place on public lands.

Additionally we are concerned with the classification of river running at GCNP as a "special use," and the precedent that "special use classification" may set for other low impact, human-powered activities on public lands.

Because GCNP has classified non-commercial river running as a "special park use" the park attempts to recover 100 percent of the costs of managing this use, in contrast to other park activities which receive almost all their funding from the parks general funds. "Special park uses" include activities that are outside of the normal range of activities in a park, for example holding a wedding ceremony, or filming a movie. Historically speaking, the first use of what eventually became GCNP began with river running and a character named John Wesley Powell. A river trip on the Colorado is a special experience, for sure, but, river running is definitely not outside the "normal range of activities" in the park, it is most definitely not a special use.

The Grand Canyon Private Boaters Association would like to encourage the distinguished members of this Committee and Congress to reexamine Federal funding policies that make it necessary for our National Park system to resort to drastic and sudden measures like the Cost Recovery/Fee Demonstration program imposed upon non-commercial boaters and hikers at GCNP in order to survive and continue to provide American's and our visitors from all over the world access to these natural treasures.

In closing before private boaters can support the fee demonstration program, we need to be sure that a criteria for fairness is in place, we once again submit the following as guidelines:

(1) Fees must be applied fairly to all users engaged in similar activities.
(2) Fees must not be used as a tool to limit access.
(3) Administration of fees must be consistently assessed across all resource users.

We sincerely thank Rep. Hansen's office for this opportunity present our perspective and we are sure you will give our thoughts consideration.

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STATEMENT OF HON. ROBERT F. (BOB) SMITH, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF OREGON

Mr. Chairman:

The Endangered Species Act is the most powerful law in the country today. Its impact on private property, economic production, and our standard of living is unprecedented; because of its power, the enforcement of this law must be carefully scrutinized. I commend you on your decision to hold this important hearing.

The total impact of the implementation of the Endangered Species Act is sometimes difficult to ascertain. We do know, however, that it has led to a greater reliance on imported wood products, higher energy costs, restrictions on the use of our nation's waterways, and more rigid regulations on the use of private land. Ultimately, my biggest concern about the Act is the emotional burden it places on hard-working farmers who have been forced to deal with a question fundamental to their very existence: will they have enough water to grow their crops and provide for their families?

This is a critical aspect of the law that is too often overlooked. As Federal agencies focus on the rigid regulations written to implement the Act, they often lose sight of the fact that we are placing people's livelihoods at stake over a biologist's judgment. This is an awesome responsibility. Do we cut off water to a farmer and ruin his crops because one biologist believes that a lake ought to have six additional inches of water in it? Or for an additional 50 cubic feet per second of flow in a river? If such a decision is made, Federal agencies bear the burden of proof. Solid scientific evidence must be driving these issues; too often it does not.

The listing of a species must contain two key components. First, we ought to have rigid standards placed on the scientific evidence being used to support the listing. The data should be collected using commonly-held scientific practices, peer reviewed by a broad array of experts in the field, and closely scrutinized by agencies and affected interests before being adopted. If the Federal agencies rush to judgment under the threat of a lawsuit, the burden of proof to delist then falls on landowners. This is wrong. It should be the agencies' burden to prove that a species merits listing, not a landowners' burden to prove it does not. Second, there must be a comprehensive plan adopted that specifies realistic numerical targets for species recovery. Without such a common understanding of the goals, how can landowners participate in the species recovery? If they are forced to comply with an ever-expanding list of Federal requirements and shifting standards, the Federal Government will lose the most effective partner they have in the effort to save legitimately threatened species.

When the Federal Government's efforts degenerate into incrementalism and loosely defined goals, the recovery of species will never be successful. If, however, we can adopt a common understanding of the key issues that lay before us—principally, the adherence to strictly scrutinized and peer reviewed science, and a detailed recovery plan—we can make progress. The need to provide more stability to the victims of misguided agency decisions requirethat we act to make this law better. I look forward to working with my colleagues in the Congress to achieve this goal.

Mr. Chairman, thank you again for calling this very important hearing, and I look forward to discussing this matter in greater detail with our witnesses.

**STATEMENT BY DERRICK CRANDALL, PRESIDENT, AMERICAN RECREATION COALITION, ON IMPLEMENTATION OF THE RECREATION FEES DEMONSTRATION PROGRAM, PRESENTED TO THE U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON RESOURCES, SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS, FEBRUARY 26, 1998.**

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Mr. Chairman and distinguished Members, I am Derrick Crandall and I serve as President of the American Recreation Coalition (ARC). ARC is a national federation of more than 100 national organizations actively involved in meeting the recreation needs of Americans. Our members produce recreational products ranging from canoes to motorhomes to tents, provide services ranging from campsites to downhill skiing and represent the interests of tens of millions of us belonging to individual membership groups such as the Good Sam Club, BOAT/U.S. and the National Off-Road Bicycle Association.

Recreation fees on public lands were one of the issues which prompted the creation of the American Recreation Coalition in 1979. As we have said to this subcommittee several times before, the recreation community enjoys free lunches just as much as any other interest group, but we have come to understand that it is hard to demand a great menu and top food when you aren't paying. And we certainly understand that recreation on federal lands really isn't a free lunch: the costs have simply been borne by general taxes, not user fees. Beginning in the early 1980's, we came to understand that during periods of financial pressure on the federal government, recreation programs were as much in jeopardy as other "nice" federal endeavors. And by 1982, the consequences were becoming clear. Campgrounds in our national forests were opening later and closing earlier — frustrating millions who sought to use their lands during shoulder seasons, but found only locked gates. We saw declines in the numbers of interpretive efforts underway — the ranger walks and campfire talks that have left indelible impressions on me and tens of millions of others. We saw recreationists and federal officials alike frustrated that no budgets were available to create facilities for, and to administer, such newly popular recreational activities as mountain biking and personal watercraft use, Nordic skiing and more.

That is why we took an active part in the national debate on fees catalyzed by the President's Commission on Americans Outdoors (PCAO) from 1985 to 1987. We heard loudly and clearly that Americans across the country were willing to pay reasonable fees for quality recreation opportunities — just as they are willing to pay reasonable costs for quality sleeping bags and boats. Again and again, though, we heard that the agencies had little incentive to charge higher recreation fees, since the fees disappeared into a variety of special accounts and the black hole of the U.S. Treasury. We agreed when the PCAO called for more reliance — but not complete reliance — upon the direct beneficiaries of federal recreation facilities and services to ensure that our national parks, national forests, wildlife refuges and public lands remain hosts to outstanding recreation experiences.

We appreciate the leadership of this Subcommittee in responding to this important issue. Although the recreation fee demonstration program was created by actions of the Appropriations Committee, its design work was done here and came as an outgrowth of your hearings on fees in 1995 and the discussions that surrounded the Chairman's introduction of HR 2107.

We believe that the fee demo program which resulted is a laudable and successful experiment. The report to the Congress on the first full year of the fee demonstration program displays the range of new approaches which together are increasing recreation program budgets of four key agencies by some $150 million this year. We are gathering information about mechanisms that are permanent cures for, not bandages hiding, the ills that have boosted our backlog on federal lands well above ten billion dollars. For the first time, key agency personnel on the ground are able to answer a visitor's question about where the fees they pay actually go.

The American Recreation Coalition supports federal recreation fee programs where:

*the fees are equitable, and aimed at recovering costs where the services and facilities provided represent significant costs to American taxpayers;*
*the fee system is efficient, costing the least amount practical to administer;*
*the fees are convenient for the recreationist, so that voluntary compliance is readily achievable;*
*the fee system is coherent, flexible and integrated, so that overlapping charges are minimized and federal, state and local fees are integrated where appropriate (such as Sikes Act provisions for hunting and fishing fees on federal lands, collected as a supplement to state licenses, or the Pacific Northwest's winter park program); and*
*the fee revenues are returned to benefit resources, facilities and programs utilized by those paying the fees.*

In general, the implementation of the fee demo program reflects these goals. We are excited about the use of the fee demonstration program to provide the funds needed to preserve lookout towers — an exciting success story recently highlighted in the **Washington Post** — to new interpretation services on the Pike, Arapaho and Roosevelt National Forests for families seeking to cut Christmas trees. We are also pleased by some of the "big picture" experiments which have begun, including the Enterprise Forest Adventure Pass for four southern California national forests and the Pacific Northwest's regional trail pass.

We feel that effective fee programs will help federal agencies become more customer-focused — which is hard to accomplish when 95% or more of your budget is determined within the Washington beltway a year in advance. And we are proud to say the American Recreation Coalition and the Recreation Roundtable — a related group of recreation-industry CEO's — have invested heavily in staff and member time in helping the federal agencies covered by the fee demonstration program with project-level and

national support and advice on sound fee programs. We have arranged for top marketing and communications executives from Disney, REI and other companies to work with the Enterprise Forest fee team in the design and implementation of that project; we have assisted more than a dozen additional Forest Service fee sites with specific communications efforts, enabling them to reach the general public and likely visitors with fee program information prior to arrival. We have worked with National Park Service staff in Washington to outline new and innovative approaches on fees, some of which I'll address momentarily.

We also give our warm thanks to the Congress and the Administration for upholding a commitment to making the fee demonstration receipts supplemental to the general appropriations for federal recreation programs of the four agencies.

However, we cannot appear today in total praise of the program, nor can we offer our support for moving immediately into a new and permanent fee program. Our reasons are two-fold. First, there have been concerns about specific fee demonstration projects expressed by our members, particularly recreation businesses operating in forests as permittees and concessioners. Some of the concerns reflect poor communications but others may reflect deeper issues, including the need for a better definition of the Forest Service's role in recreation. Second, while we have seen some outstanding innovation by the agencies, far more ideas and approaches can and should be tested — from new technologies that minimize cash collections at remote sites to national passes and stamps that are more convenient to visitors, avoiding a growing criticism of "nickel and dime charges."

Let me elaborate on the concerns raised with specific fee projects. They fall within three categories. One involves an inequity in fee collections and the belief that those enjoying the services of outfitters, guides and other commercial services end up paying more, and more consistently. In most cases, these visitors are already assessed a fee under the permit of the commercial services provider. The new fee demo charges come on top of this base fee yet are the only fees paid by non-served visitors. In addition, the commercial service provider can be held accountable for compliance with the fee collection requirement, making commercially-served visitors universally assessed. In contrast, non-served visitors are subject to the agencies' own enforcement activities — and in some cases are likely to avoid any fee with little or no risk.

The second concern involves use of the new fee demo authority in ways which undercut and jeopardize the operations of commercial providers on public lands. The ability to levy new charges and to retain at least 80% of all receipts has sparked entrepreneurial fires within some agency officials at the grassroots level — and that is largely good. Yet without much business experience and limited financial analysis tools, the fee demo option can blind some of these individuals to long-term benefits of working in partnership with concessioners and permittees. It would not be desirable, for example, for the Forest Service to attempt to operate a ski area even if it could retain all lift ticket receipts under

fee demo. Similarly, we doubt the wisdom of returning a substantial number of campgrounds now under concession management to direct Forest Service operation.

The third concern involves coordination of fees on federal lands with those charged by states and counties — or even by other federal agencies. In many states, Forest Service and BLM trail programs receive substantial annual payments from state agencies, utilizing funds collected through ORV vehicle registration programs and on fuel used in off-highway recreation activities. Before new federal fees — for parking at trailheads, for example — are imposed on those who are already paying the state fees, others who are not currently contributing to recreation facilities and programs on federal lands need to be assessed.

These concerns are a predictable result of a new tool being provided to federal officials who are very hard-pressed to meet growing and changing demands for recreation. In some cases, the fee demo program is viewed as a universal wrench able to fix all problems — and it is not. The fee demo program — and the permanent fee program we hope to see follow it eventually — need to be viewed as merely one of a variety of tools which, with training in use, can keep federal recreation programs in good working order. It is for this reason that ARC strongly encourages the four federal agencies to develop recreation strategies identifying overall goals as well as the full array of tools available to achieve those goals. In addition to fees and general appropriations, the following additional tools need to be used skillfully by federal recreation programs:

- volunteer efforts;
- funding from ISTEA and its successors for scenic byways, trails and other road-related needs;
- partnerships with the private sector to invest in, as well as operate, needed recreation facilities;
- partnerships with state and local agencies in areas ranging from facility development and operation to funding for trails, wildlife, boating and fishing and more;
- corporate support through sponsorships and other devices; and
- non-profit organizations ranging from "friends" groups to specialized resource managers (land trusts, for example, and Ducks Unlimited).

We are unenthused about providing permanent fee authority for the four agencies now covered by the fee demonstration program, or those such as the U.S. Army Corps of Engineers and the Bureau of Reclamation which also need new fee guidance, until we have the benefit of at least two more years of the demonstration program ***and*** these new recreation strategies in place. We are optimistic that the strategies will be developed soon for at least two of the agencies: the Forest Service and the BLM.

There is a second important reason we believe the fee demonstration program deserves additional time. We believe that much of the experimentation and learning available to the agencies from the program is not yet even underway.

In our testimony before this committee in 1995, we outlined a variety of ideas we hoped would be tested by the agencies. The National Park Service, especially, is an important laboratory for this learning. While the fee demo program has produced substantial new receipts for that agency with minor levels of complaints from the public, most of the revenue has been generated from increases in already-existing entrance fees. The agency can and should also consider:

- use of differential pricing between peak and non-peak periods of the year, to encourage shifts of visitations to periods of the year with the capacity to host visitors with minimal social and environmental consequences;
- linkages among parks, especially those with clear revenue-generating capability and those without. One way to do this would be to allow volunteers at non-fee sites to earn access to fee sites (for example, through a link between the National Capital Region's sites and Shenandoah National Park);
- experimentation with free access days to ensure that no American is "priced out" of enjoyment of this wonderful shared legacy of the outdoors;
- encouragement of certain types of activities on federal lands. For example, participation in interpretation programs might rise if attendance were rewarded with free or discounted re-entry to the area; and
- a "hero pass," priced well above annual passes (and even the Golden Eagle passport) that allows supporters to demonstrate their emotional link to the parks.

In addition, we believe that the Forest Service must seriously consider the creation of a national pass for the convenience of its visitors. We understand the concerns expressed by some that a national pass — a "Golden Smokey" — would reduce the link between fees and visible local use of the fees. Yet an excellent suggestion worthy of further study arose last week at a meeting of Forest Service fee demonstration site managers: continue to focus sales efforts on annual local passes, but allow purchasers to "upgrade" such passes with a $25-30 supplemental fee to a national pass.

The meeting produced other useful ideas and comments, too, and demonstrated the importance of sharing experiences among the fee site managers. We learned that some sites require private partners which sell the daily and annual passes to pre-purchase the passes, while others permit pass consignment. The pre-purchase requirement encourages partners to minimize inventories and some ran out of passes during heavy visitation periods — leaving forest visitors unhappy and unintentional fee program violators. The group also talked at length about using fee demo receipts to develop cooperative agreements with counties and other government agencies in the fields of law enforcement, emergency services, roads and other vital visitor needs.

Substantial discussions also occurred regarding compliance with fees other than entrance fees. The agency is investing substantial resources in education efforts to encourage compliance and several outstanding examples of "fix-it" tickets and violation follow-up efforts were shared. An important legacy of the fee demonstration program will

be a better basis for predicting compliance percentages — and thus revenues — than we now have. We were encouraged to learn that messages with envelopes left on 10,000 vehicles parked at Enterprise forest sites without passes generated 5,400 prompt payments, including 30% purchasing annual passes. Additional follow up brought compliance levels up further — still without reliance upon the $100 fine provided for in the fee demonstration program enabling legislation.

We applaud the Forest Service for catalyzing these discussions and look forward to providing continuing assistance from the recreation industry to the fee site managers.

We urge the Committee on Resources to enact authorizing legislation for a new and slightly redirected fee demonstration effort, extending its duration through Fiscal Year 2002. We are pleased to learn that the Senate Committee on Energy and Natural Resources appears poised to take similar action through legislation introduced this week by Senator Craig Thomas. Key changes in the program should include:

- a prohibition on use of the authority to "replace, disrupt or jeopardize the provision of public recreation services on federal lands by permittees and concessioners";
- new direction on the types of fee strategies to be tested during the demonstration period, including peak/off-peak pricing, strategies to encourage volunteerism and free access periods;
- a provision for a modest growth in the number of sites permitted under the program;
- a refocusing of use of the receipts, restricting them to projects at the collection site: enhancing interpretation, signage, visitor facilities and law enforcement relating to public use; operations and maintenance of facilities serving visitors; and backlogged repairs to facilities serving the public; and
- specifically allowing inclusion of special use permits as fee demonstration projects.

We thank you for your interest and for your willingness to address the recreation fees issue comprehensively.

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JAMES D. SANTINI

Chairman Hansen, members of the subcommittee, my name is James D. Santini Washington, DC representative of the National Tour Association (NTA).

I offer this testimony on behalf of NTA, a Lexington, Kentucky based international packaged travel association of 642 companies. Over the last two years NTA has been working closely with the National Park Service to make the demonstration fee program a public/private cooperation success. In addition, over this same period NTA's Executive Vice President, Mr. W. J. Host, has served on the National Parks Advisory Board and chairs the board's subcommittee on Use, Recreation and Tourism.

Most of our association's tour operator members regard the national parks, historic and heritage sites as life time experiences for their group tour clients. They are traveling together for the economy, efficiency, security and social interaction that is provided by packaged travel. For many of America's senior citizens and school age travelers this is the only way they will ever be able to share in the natural and historical wonders offered by park destinations. For the last 48 years NTA has represented the tourism professionals focused on the packaging of travel destinations in the U.S., Canada, Mexico and throughout the world. The NTA membership also includes 850 local, state and provincial destination marketing offices and 2,255 tour supplier members that include attractions, hotels, motels, restaurants, bus companies, airlines and receptive operators. In 1996, according to the Davidson-Peterson, Associates economic study, the package travel industry generated over $11.6 billion to U.S. economy of which $9.6 billion was spent at local level.

Today, NTA will respond to Chairman Hansen's request for an oversight review of the 1995 Fee Demonstration Program and the National Park Service, as the parks committee considers DOI/NPS 1999 legislative authorizations. At the outset we applaud this innovative attempt by the U.S. Congress to create the opportunity for the public land agencies to apply on the ground real world experiences in crafting the greatly expanded entrance and use fee program.

Since the adoption of the fee demonstration program it has been NTA's predominant experience that NPS has established an agency policy to do whatever it can to make the Congressionally mandated fee demonstration

program succeed. This general observation is reinforced by concrete problem solving examples. Regrettable NTA cannot express the same positive experience with the United States Forest Service during the same demonstration time frame.

At this committee's May 11, 1995, hearing on "Recreation Fees on Public Lands" NTA's president (then Secretary/Treasurer) Keith Griffall enunciated four basic appeals to NPS in adopting any kind of a fee program.

First, there should be an equitable fee comparison between the cost of entrance and use for the individual and the commercial group visitor.

Second, Griffall pressed for adequate notice of any entrance or business use fee increases to enable NTA operators with 12/18 months from date of initial marketing to tour start up date so the tour planner will have adequate time to include the fee costs in the total price of the tour package.

Third, NTA urged that there be an opportunity to be heard for all impacted individual, group and recreational park visitors before a fee is officially adopted by NPS/DOI.

Finally, Griffall appealed for a uniform commercial and business use fee structure throughout the 370+ units of the National Parks system.

From the industries initial commercial fee crisis of September 1994 and the Yosemite National Park use permit panic of March '95 NPS has made constructive efforts to respond to NTA's basic fee fairness concerns. This ongoing communication culminated in the December '96 announcement of the individual and group visitor entry fees program. Initially, the December '96 DOI/NPS entrance fee program earnestly attempted to establish a commercial/use fee equity between the group visitors and the noncommercial visitor providing a 12 month deferred fee period for commercial operators to adapt. As a personal aside, this NPS reaction is unprecedented in my 28 years of attempting to encourage responsive mutual interest problem solving with all federal land management agencies. While all the problems with the demonstration fee program have not been ironed out all impacted parties have experienced substantial progress toward practical implementation of public/private "partnership" goal. We have graduated from oratorical euphemisms to on the ground defacto actions.

Further, NPS took the NTA May '95 plea for park fee uniformity and created an unprecedented four tiered commercial entrance fee structure (see enclosed graph) that nationally attempts to predicate commercial fees based on visitor demand (e.g. 3 million plus in the Tier I parks of Grand Canyon, Yellowstone/Grand Teatons and Yosemite) and the existing infrastructure and services provided (i.e. benefits received). This fee structure is not without flaws. But a follow-up NPS/Industry meeting in February '97 corrected an apparent fee imbalance in the category of vans from to 25 passenger capacity.

Now this partnership interaction continues as an ongoing viable exercise. February 9/10, '98, an informal working group comprised of five NPS and five commercial user representatives met in Phoenix to receive park commercial user fact/figure input on the methods of fee collection and amount of the fees issues that remain at Grand Canyon National Park. Now the fact and figure information that was presented is being assimilated in anticipation of a March 19/20 return meeting in Phoenix to attempt to find consensus on improving collection efficiencies and adjusting comparative fee inequities that remain for all commercial vehicle users from 1 to 6, 7 to 15, 16 to 25 and the 26 or more passenger capacity vehicles. At this stage there are no guarantees that either NPS or industry will receive all the modifications they are seeking. However, unlike most other government agency problem solving, the final disposition of this demonstration fee program exercise will not drag on into the next millennium. The Grand Canyon fee changes will happen on or before April 15, 1998. This is real life fee demonstration program efforts in action. On January 28, in Kingston, New York, there was a comparable park service/industry representative meeting on the admission fees conflicts related to the Hyde Park/Roosevelt/Vanderbilt historical sites. I am told that this public hearing has also produced a satisfactory entrance/use fee resolution.

Chairman Hansen has asked me to address another realm of less successful fee demonstrations resolution with the ill begotten "air tour commercial" fees at Grand Canyon, Haleakala and Hawaiian Volcanoes. These fees were adopted without any industry opportunity to be heard (or even Park Service support testimony) by a former National Parks authorizing committee in the 1993 Budget Reconciliation Act. This commercial entrance or use fee

violates every fundamental premise for imposition of commercial entry or use fees on any federal lands, let alone the airspace overhead.

The Grand Canyon and Hawaiian air tour operators are transporting the physically challenged (20% Grand Canyon) or time constrained (65% Grand Canyon international visitors) aerial viewers in airspace that is not controlled or managed by the NPS/DOI. The FAA/Department/Department of Transportation has jurisdiction of this airspace. Further the air tour operator is already paying:

| FEE | AMOUNT | PAID TO | PAID BY |
|---|---|---|---|
| Terminal Fee | $2-3 | McCarren Airport | Eagle Air only |
| Segment Fee | $2.00 | FAA | Air Carrier |
| Overflight Fee | $2.08 | NPS | Air Carrier |
| *Landing Fee | $ .60+ | AZ DOT | Air Carrier |
| AP Ground Fee | $ .60 | AZ DOT | Ground Carrier |
| Franchise Fee | Varies | NPS | Concessioner |
| Excise Tax | $4.50 | IRS | Air Carrier |
| AZ Use Tax | $ .57 | Arizona | Air Carrier |

TOTAL: $20.35 to $24.13

A large percent (70% estimated) of the air tours do land and take a 3 hour ground tour of the Grand Canyon for which they are paying a commercial entry and use fee of $300 per bus unless they use the Harvey's Concessioner bus. Then the fee is $10 per person.

There is a comparative user inequity for this air tour fee. The air tour viewer utilizes no services and receives no direct benefit of any kind. The air tour leaves no footprints, sandwich wrappers or evidence of restroom use in the Grand Canyon or Hawaiian parks. It is without a question one of the most environmentally sensitive ways for the disabled, physically limited and time constrained visitors to see the aerial grandeur of both the Grand Canyon and the Hawaiian parks.

There is no precedent for an entrance or use fee for only visual appreciation of a national park site.

*Airport Manger Russ Pankey has stated intention to increase to $3.

There is a fleeting air tour noise impact that has been almost totally eliminated in the Grand Canyon by PL100-91 and SFAR 50-1. This is proven by the 1993 NPS visitor survey in Grand Canyon National Park (Approximately 95% of ground visitors reported no aircraft noise interference with their park experience). In 1996 there were only 25 written complaints out of five million park visitors about aircraft noise from all planes. At least to date no other federal agency has yet attempted to start taxing the airspace users for sound impacts.

With your direction and reinforcement, Mr. Chairman, I believe we can find a sensible and equitable resolution through your 1999 national park authorizing legislation that suspends any further attempt at collecting air use fees in Grand Canyon and Hawaiian parks until there has been a thorough and balanced Congressional review of the legal and equitable proprieties of a ground managing agency imposing an airspace use taxe.

Finally, again speaking to the overall program, the NTA applauds this unprecedented opportunity to work together with all the land management agencies. We hope you will authorize this partnership problem solving demonstration fee program for at least two more years beyond the three year termination date for this existing program. Thank you for the opportunity to share my experiences and recommendations with your Mr. Chairman and your committee.

Enc:

**For Release: June 12, 1997**
**David Barna (202) 208-6843**

## ADDITIONAL CHANGE TO COMMERCIAL TOUR VEHICLE FEES EFFECTIVE JANUARY 1, 1998

The National Park Service (NPS) today announced a change to the new fees that mid-size passenger capacity commercial tour vehicles will pay for entrance into National Park System units. The new fees will take effect on January 1, 1998.

Acting Director Denis Galvin noted today, AIn the past decade the number of buses entering the parks has increased by 80%. With this in mind, the NPS worked closely with the commercial tour industry to develop an equitable tour fee program. We are looking foward to the positive results of the program as these fees will make a direct and beneficial impact on our nation's parks.

Following a meeting in February of 1997 with representatives of the commercial tour industry, the NPS agreed to review the proposed increases to fees for mid-sized commercial tour vehicles announced as part of a Congressionally authorized three-year fee demonstration project. In response to concerns from small business operators, the NPS has revised the existing classes of commercial vehicles to reflect a fourth category, based on passenger capacity.

Excluding the drivers, the vehicle capacity categories include: 1-6 passengers for sedans, 7-15 passengers for vans, 16-25 passengers for mini-buses, and 26+ passengers for motor coaches. New rates for the van category have been established to reflect the corresponding change in passenger capacity. Following is a 'hart that provides the new fees, and the names of the parks collecting those fees.

### NATIONAL PARK SERVICE

#### Commercial Tour Fees 1998 - 1999

**effective January 1, 1998**

| Tier | National Park Unit | Sedan<br>1-6 persons | Van<br>7-15 persons | Mini-Bus<br>16-25 persons | Motor Coach<br>26+ persons |
|---|---|---|---|---|---|
| I | Grand Canyon NP<br>Grand Teton NP<br>Yellowstone NP<br>Yosemite NP | $ 25+ | $ 125 | $ 200 | $ 300 |

| | | | | | |
|---|---|---|---|---|---|
| II | Big Bend NP<br>Crater Lake NP<br>Death Valley NP<br>Everglades NP<br>Glacier NP<br>Hawaii Volcanoes NP<br>Kings Canyon NP<br>Mesa Verde NP<br>Mt Rainier NP<br>Olympic NP<br>Rocky Mt NP<br>Sequoia NP<br>Shenandoah NP | $ 25+ | $ 75 | $ 100 | $ 200 |
| III | Acadia NP<br>Badlands NP<br>Bandelier NM<br>Bryce Canyon NP<br>Cape Cod NS<br>Dinosaur NM<br>Harpers Ferry NHP<br>Joshua Tree NP<br>Lassen Volcano NP<br>Petrified Forest NP<br>Theodore Roosevelt NP<br>Zion NP | $ 25+ | $ 50 | $ 60 | $ 150 |
| IV | All other entrance fee parks | $ 25+ | $ 40 | $ 40 | $ 100 |

NOTES: Passenger capacity does not include driver. For Sedans, the fee is the legislatively required minimum $ 25 commercial tour fee PLUS the individual entrance fee, as required, for each passenger.

**Statement before the**
**Subcommittee on National Parks and Public Lands**
**Committee on Resources**
**United States House of Representatives**
**February 26, 1998**

**By**
**Craig W. Mackey**
**Public Policy Liaison**
**Outward Bound USA**

## Regarding user fees and the Recreation Fee Demonstration Project

Mr. Chairman and members of the committee, I would like to thank you for this opportunity to speak with you today on the status of user fees, and the agencies' implementation and administration of the Recreation Fee Demonstration Project.

I speak to you today as a representative of Outward Bound USA, a non-profit educational institution and a leader in wilderness and experiential education. For over 35 years, the Outward Bound system has teamed with America's wild lands to provide adventure-based education to youth and adults. Outward Bound has the privilege of conducting extended backcountry expeditions to teach leadership, personal development, and wilderness skills and values. Simply put, wilderness and public lands are our classroom.

Outward Bound USA is comprised of five wilderness schools and two urban centers. With operations in 25 states and on literally scores of federal land and water management units, Outward Bound has dealt with an astonishing array of federal agency permits, policies, administrative procedures and fees.

### Commercial Use on Public Lands

I speak to you today on behalf of Outward Bound, but also as a representative of much broader interests in outdoor education and recreation, including wilderness education, commercial recreation, and outfitters and guides. For this discussion, it is important to note that many non-profit organizations, including wilderness education programs such as Outward Bound, Wilderness Inquiry, the National Outdoor Leadership School (NOLS), and some university-based outdoor education and recreation programs, are categorized by the agencies as full commercial users of federal lands and waters. As such, we are subject to and comply with all agency permitting, insurance, administrative and reporting requirements. And also comply with the full range of franchise and user fees.

As a wilderness education program, Outward Bound values our ongoing partnership with land managers and America's wild lands. Outward Bound recognizes the need for, and merits, of proper administration and management of these resources. This includes establishing and justifying our use on the resource; performing as an accountable user of public resources; protecting the public health and safety; working with land managers to educate the American people about natural resources, public lands, responsible recreation and wilderness values; and paying an equitable and appropriate share of the cost of administration and management.

It is through these partnerships with land managers that we hope to preserve and protect the wilderness classroom for future generations.

**Support for Fees**

Outward Bound recognizes our public lands system offers unparalleled opportunities for outdoor recreation and education, and supports the need for fees in exchange for the privilege of operating on public lands, waters and wilderness resources. Payment of reasonable, direct user fees to support resource management and maintenance, preservation and protection, and to continue to provide for the education of American and international constituencies about the value of these resources is, indeed, a small price to pay.

As commercial users, Outward Bound and other members of the wilderness education and outfitter/guide communities are accustomed to paying for this privilege of access to federal lands. Through the payment of franchise fees (concessions contracts and special use permits) to secure access to the resource, and cost recovery programs (permit fees and backcountry fees) for the administration and management of our use, commercial users have been paying our fair share.

Additionally, I would like to note that fees have long been utilized to protect and manage our public lands. Through the years, and particularly with the unveiling of the Recreation Fee Demonstration Project, we have heard the cry from the American public that the government has no business charging fees for the privilege or "right" of access to what are indeed our federal or "public" lands. I would simply point out that as far back as 1908, Mount Rainier National Park began charging entrance fees. More importantly, any member of the public who chooses, or may even find it necessary, to engage the services of an outfitter, guide, or wilderness education institution – for the simple reason of convenience; desire for a particular experience; a lack of knowledge, skill or equipment; or because of a disability – has been paying federal land use fees for decades.

**The Fee Demonstration Program**

In addition to our recognition of the need for user fees, Outward Bound, along with many other members of the recreation industry, supported the implementation of the Recreation Fee Demonstration Program. We recognized that user fees have been, are now, and will increasingly be a fundamental element in the financing of public land management and maintenance. At least three current trends support this statement:

- Efforts by the Congress to balance the budget and the accompanying need to have individual programs – including public lands – pay their own way.
- The popularity of outdoor recreation and the increasing use of, and demands on, our pubic lands.
- The shift in emphasis and resources within the agencies toward recreation management.

Our support for fees and the Fee Demonstration Program is predicated on the fact that wilderness is our classroom. Effective management of public lands and administration of outfitter operations, along with the ability to work effectively in partnership with land managers, are fundamental to our success as a wilderness-based, experiential education institution. To ensure our students of a quality wilderness or public lands experience and the viability of the wilderness classroom for generations to come, land managers must have the resources to:

- Research, develop and implement state-of-the-art resource monitoring and management tools.
- Properly administer and manage all uses and user groups.
- Work effectively in partnership with public land users and supporters.

As partners on the public lands, the wilderness education community can assist the agencies to protect the integrity and long-term viability of the resource, provide quality recreational experiences, ensure the public health and safety, provide for the educational and interpretive needs of the public, and provide access to and education about public lands to a growing and increasingly diverse constituency of public land users.

In recognizing the historical and potential role of educators, outfitters and other commercial users in financing public land recreation, it is critical that Congress and the agencies work collaboratively to ensure that:

- User fees are fair and equitable.
- Fees remain with the resource or the collecting agency, and, to the extent possible, support the payer's activities or interests.
- New fees are used to supplement, not supplant, appropriations for public lands management.

**The Need for Oversight**

Authorized in 1995 with an intended tenure of three years, and later extended for one year, the Fee Demonstration Program has been a valuable and enlightening experiment. The program has also spawned, as intended, an entrepreneurial atmosphere within the agencies and a parallel attitude within their employees. While Congress and the agencies are clearly looking to user fees as a cornerstone of public lands funding, and commercial users are willing to pay our share, Outward Bound cannot, at this time, support permanent Fee Demonstration legislation.

At this stage in the Fee Demonstration experiment too many fundamental questions remain unanswered. This is best highlighted by the fact that Congress and the public received, on January 31, the first comprehensive status report on the program [Recreational Fee Demonstration Program, Progress Report to Congress, January 31, 1998]. In full support of the Congressional oversight efforts represented by the reporting process and this hearing, Outward Bound requests that Congress honor the full term of Fee Demonstration as authorized and extend the test period if necessary to ensure the program and its ramifications have received full and timely evaluation. At the appropriate time, we would welcome the opportunity to work with the committee to produce effective fee reform legislation.

Outlined below are both general and specific issues which must be addressed to ensure that user fees are fairly and equitably assessed and that both the Fee Demonstration Program and the concept of user fees themselves are favorably embraced by educators, outfitters, other user groups, and the general public.

**Viability of Fees**

At this juncture fundamental questions remain unanswered as to the overall viability of user fees as a means of financing individual agency programs, helping to support individual units, or contributing in a meaningful way toward supporting the future health and sustainability of the resources and public land recreation. Many of these questions are raised by the agencies in their own Progress Report to Congress:

- What is the public's capacity to pay user fees?
- What is the general public attitude toward and acceptance of fees?
- How should fees be shared or consolidated in joint fee arrangements?
- Can fees adequately support the full range of agencies programs and units? If not, how should fees be shared among units?
- What is the cost of collection and the best means of minimizing these costs?
- Can fees be equitably assessed across the full range of users?
- Can user fees be counted on in the long term to supplement, not supplant, appropriations?

**Equity**

The long-term acceptance of user fees must be based on two principles:

- That the fees are fair and equitable.
- That the public sees tangible results or returns on their investment.

Other elements of equity:

Compliance: Members of the public choosing to visit public lands through the services of a wilderness education program, outfitter or other commercial operation pay fees at a 100 percent compliance rate. This is true across the spectrum of fees – franchise, entrance, parking, etc. Many non-commercial user groups [Scouts, church groups, and university groups] have traditionally paid no user fees for the privilege of visiting our public lands. And, by their own admission, the agencies are collecting fees from the general public at rates of compliance as low as 25 percent [Progress Report to Congress].

In one example on the Gunnison River in Colorado, the BLM has proposed to use commercial whitewater raft permitees as the direct point of collection on a per head, per day fee – ensuring 100 percent compliance from outfitter customers -- while the general public boater would be exposed only to voluntary collection boxes at a few limited sites on the river.

Equal access: Fees must not eliminate or discourage access for individuals from lower income brackets. Many new fees need not be considered onerous, such as a percentage jump in entrance or parking fees. However, the Fee Demonstration Program has produced substantial new fees, some of which must be considered impediments to those individuals with fixed or limited incomes. The most prevalent example is the per head, per day fee which, in Outward Bound's experience, has been proposed as high as $10 per day and assessed as high as $5 per day. Congress, the agencies and the public must work collaboratively to determine what portion of the burden users can equitably bear, while ensuring that our federal resources remain a public trust for all Americans to enjoy.

Another consideration is the impact of fees on scholarship programs. Outward Bound and many similar programs fund substantial scholarship programs to expose and educate America's youth on the wonders of wilderness and public lands. As a direct cost of doing business, fee increases will diminish the availability and viability of such funds.

Annual passes and other exemptions: As the total number and financial impact of fees have increased, the public and organized user groups have increasingly pushed for the authorization of local, regional and national passes. Modeled on the Golden Eagle program, these passes would typically allow unlimited access for payment of an annual fee. While potentially equitable, the proliferation of this type of pass would have tremendous ramifications on the government's and an individual unit's ability to collect revenues. The most obvious example being the elimination of what is clearly the most lucrative fee in the agencies' current portfolio -- the per head, per day fee. Again, important policy questions are being debated and decided, often without consistent agency oversight or direction, and perhaps without sufficient oversight by Congress.

Consistency: For the long haul, public acceptance of fees will be based on consistency. Is the public being asked to pay more to park at a Forest Service trailhead than in a paved Park Service lot? While this is not necessarily a problem under Fee Demonstration, much work remains to be done to achieve consistency – across user groups – across units – across agencies.

The Golden Egg: As stated earlier, user fees will clearly become a cornerstone of recreation funding on public lands. And commercial users, accustomed to paying fees, have no objection if they are fair and equitable. However, in the current entrepreneurial atmosphere under Fee Demonstration and with ever increasing lines of authority being delegated to field staff, one could argue that the agencies are indeed out to kill the proverbial goose and her golden eggs. Compliance with fees for commercial users such as Outward Bound and NOLS is 100 percent, and, it seems, every new fee is applied to this sector. Simply stated, we are the easy targets. Such fee burdens could threaten small business, non-profit educators, scholarship programs and could, if continued as policy, turn our public lands into a domain for large, corporate concessioners and a playground for the rich.

**Private Enterprise**

As wilderness educators, Outward Bound views our relationships with land managers as true working partnerships. We view the ability to access public lands as a privilege that must be earned through working in conjunction with the agencies to meet public demand for quality recreational and educational services, ensure public health and safety, protect the resource, and satisfy the need for quality interpretive services.

In return, land managers need to understand private enterprise. If the government recognizes the public demand for outfitter services and understands the role of the commercial outfitter/educator in meeting that demand, then the government must work with commercial operators to ensure the viability of both for-profit and non-profit operations on public lands:

The fee burden: Historically, the Park Service's Commercial Use License (CUL) or Incidental Business License (IBP), with a typical fee of $200 to $300 for a season of commercial use, may have undervalued both the resource and the agency's administrative role and responsibilities. However, we are rapidly moving to a point where significant jumps in annual franchise fees or cumulative fees are straining the market's ability to pay. In Olympic National Park, NOLS saw their annual fee jump from $250 to over $5,000 for the same level of use. In 1997, Outward Bound's commitment to Big Bend National Park was a $303 IBP fee. In 1998, the combination of the IBP fee, a new $10 per head entry fee and a newly proposed per head, per day fee will push OB's total to well over $7,000.

As commercial outfitters, we are accustomed to paying fees and incorporating costs in our tuition structures. As non-profit educational institutions, the increased fees may threaten the type and amount of programming we are able to offer and certainly threaten limitations on the spectrum of students able to participate in quality wilderness education programs. Fees should not render wilderness or public lands the domain of an elite class.

In certain areas the agencies have revamped proposed fees which, based on input from public or commercial users, were determined to be too demanding. In the Boundary Waters Canoe Area of the Superior National Forest, the Forest Service had proposed a per head, per day fee beginning at $5 per day, with a ceiling of $10 per day. Based on feedback and negotiations, this fee has now been reduced to a one-time fee per permit or trip ($100 per commercial permit).

Other examples:

- Region 1 of the Forest Service is considering administrative changes that would allow all or part of annual franchise fees to remain with the collecting resource.

- The Okanogan National Forest implemented parking fees under the Fee Demonstration Program but did not apply the fees to commercial operations.

Multiple fees: One direct result of the Fee Demonstration Program has been a proliferation of fees, the result being fees stacked upon fees, or a "nickel and dime" approach. Commercial operators are often paying as many as four or more separate fees on a given unit. The fees vary per unit and may even vary per visit. The methods of collection vary from an annual fee payable by check to cash at the point of encounter.

Typical fees include:

- Annual franchise fees (Special Use Permit, Concessions Contract, Incidental Business Permit)
- Permit or backcountry fees
- Entrance fees
- Parking fees
- Campground fees
- Fees at the trail head
- Per head, per day fees

The Park Service is issuing directives to avoid obvious duplications:

- Elimination of both an IBP fee and an entrance fee.
- Elimination of both an IBP fee and a commercial tour fee.
- Elimination of both an entrance fee and a parking fee.

Consistency: Fees and, more importantly, fee structures vary. Fees vary from agency to agency and, more importantly, from unit to unit. Kenai Fjords National Park issues a single IBP for sea kayaking, mountaineering and ice climbing. Dinosaur National Monument requires a separate IBP for backpacking and rock climbing.

It should be clarified that uniformity across the agencies is not the goal. Fees need to reflect the differing philosophies, priorities and services provided by the different agencies. Certainly, the average national park visitor expects and receives a different level of service than a visitor to a remote BLM tract. However, consistency in intra-agency fee structures and administrative procedures would greatly increase compliance, as well as lowering administrative costs for the agency and compliance costs for the user.

Notification: Commercial outfitters, both for-profit and non-profit, have found themselves at the mercy of the agencies on the implementation and alteration of fees. Prior to complying with agency fee mandates, commercial operations must be able to establish budgets, set rates, develop marketing strategies, advertise and collect funds. Both Outward Bound and NOLS have experienced fee increases without adequate notification. Lack of notification has left vans full of students waiting outside park gates and instructors searching for cash to pay a new entrance or per head, per day fee. In one case, Outward Bound faces a proposed fee that would increase payments by an estimated $6,500 a year. The fee increase is proposed for May 1998. As of this testimony, no written notification has been submitted by agency staff.

Billing: One administrative remedy under negotiation is billing authority. Historically, franchise fees have been paid in advance, on an annual or semi-annual basis. All other fees have been on a straight pay-as-you-go basis. With the duplication of fees and the increasing use of per head, per day fees, field staff for the agencies and user groups are being asked to handle increasingly larger financial transactions -- creating both administrative and safety concerns. Billing authority could greatly simplify the process for both sides, allowing for the consolidation and payment of fees as a single or periodic transaction.

**How to Proceed**

Fees are the future. The general acceptance of and compliance with fees in the commercial outfitter sector is not an issue. The public's ability and willingness to pay are still being tested and researched. The following points are clear:

- The long-term role of user fees in the financing of public land recreation is yet to be determined, including the public's ability to pay.
- To be successful, fees must be consistent.
- To be successful, fees must be equitable.

For fees to be successful, the public user and the commercial operator must see a return on their investment, including:

- Fees remaining with the resource.
- A knowledge of how fees are being spent.
- Satisfaction that fees are being used to supplement, no supplant, the normal appropriations process.

The Fee Demonstration Program is a valid and useful experiment. The test period should be allowed to run its course, and Congress should be diligent in its oversight responsibility during this time.

Many key questions remained to be answered.

*Establishing, protecting and maintaining foot trails in America*

STATEMENT OF
AMERICAN HIKING SOCIETY
BY
MARY MARGARET SLOAN, CONSERVATION DIRECTOR

PRESENTED TO THE
CONGRESS OF THE UNITED STATES
U.S. HOUSE OF REPRESENTATIVES

OVERSIGHT HEARING ON THE RECREATION FEE DEMONSTRATION PROGRAM

SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS
February 26, 1998

My name is Mary Margaret Sloan, and I am the conservation director for American Hiking Society, a national nonprofit organization serving 10,000 individual members and the more than 500,000 members of our 120 affiliated clubs.

Thank you for the opportunity to address the subcommittee today on the matter of the recreation fee demonstration program. I am testifying on behalf of our individual members who are paying new and increased fees to hike on public lands and on behalf of our affiliated clubs who volunteer hundreds of thousands of hours each year to build and maintain trails in national parks and forests.

### *American Hiking Society Supports the Existing Fee Demonstration Program*

Recreation needs in national parks and forests are dramatic and growing. America's public lands desperately need money. There is at least a $267 million backlog for trail construction and maintenance alone in the Forest Service compared to a $27 million appropriation for Fiscal Year 1998. The near future is just as bleak. Yet, we recognize that although in 1996, hikers contributed 473,000 hours to build and maintain national scenic and national historic trails alone, our trails are suffering and we must do more.

American Hiking supports the current Recreation Fee Demonstration Program for a number of reasons: the revenues stay in the unit, the oft-stated intent that appropriations will not be offset by the fees, and because the fees address the enormous need for on-the-ground funding. However, it is our opinion that the Demonstration Program is not being implemented with uniform good success.

The purpose of the demonstration program is to encourage the land managing agencies to creatively implement different fee collection projects. Some of these projects are just now getting



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under way. We have not had an opportunity to adequately evaluate the effectiveness of the fees or how the agencies are spending the revenues. We urge the subcommittee to let the demonstration program run its course and wait until 1999 to propose a permanent program.

The best permanent fees program will arise from the successful demonstration projects. From our perspective, the agencies have not had enough truly successful programs; they simply haven't had enough time. They are working with our affiliate clubs around the country – including the Appalachian Mountain Club in Massachusetts and The Mountaineers in Washington – but still need opportunities to work out some of the glitches.

### *Key Principals for a Successful Recreation Fee Program*

In order for this subcommittee and the Congress to create a successful and positive recreation fees program, the concerns of the hikers and other recreationists paying the fee should be carefully considered. To that end, American Hiking suggests several principals which will contribute to a successful program, some of which are a part of the current demonstration program, and some which should be added or changed.

First, the fees must be fair and equitable and not prohibit anyone from visiting our public lands. Second, fee collection must be convenient and not unduly interfere with the recreation experience sought by the park visitor. Third, any fee system must consider and encourage park volunteers. And fourth, the legislation must clearly state that fee revenues should not offset general appropriations.

1. Fees which are assessed against the general public for parks and forests must be fair and equitable. Multiple layers of fees are onerous and may discourage lower-income Americans from visiting our public lands. I have excerpted a letter from an AHS member from Austin, Texas:

> "May 8, 1997. Perhaps you can't be of help, but I just need to know what can be done, if anything. During the first week of June [1997] I'm taking my oldest daughter, her husband and 6 of their children to the Grand Canyon. My daughter is a cafeteria aide and her husband is a porter at a local car dealership. These are obviously low-income people and it's because of my determination that they're going on this trip at all.
>
> We'll be driving to Arizona from Austin, Texas in two separate vehicles (read two vehicle fees and two campground fees) and their 1984 GMC van isn't very economical on gas. I've told them that I'll pay the park entrance fees and campground fees but they're on their own with gasoline. However, I have a feeling I'll be chipping in with that, too, but I can't afford to do much more. We'll be travelling as cheaply as possible, staying in campgrounds and sleeping in tents. We'll be buying simple food to eat with an occasional stop at McDonalds on the way there and back.
>
> I have already paid $60 for two campsites at Mather Campground at the Grand Canyon but I am hoping there is not an additional entrance fee or per person fee like I read somewhere. Since I'm also planning on taking them to the Petrified Forest and Painted Desert, and possibly some other national parks or monuments on the way there and back, including Carlsbad Caverns and Guadalupe Mountains, this means additional entrance fees, etc. At any rate, all of these entrance fees will take a heavy toll on my daughter and her husband.

> Is there anything you can advise me to do to help cut the expense of this family vacation? We had started planning this last year well before [the demonstration fees] were mentioned and my children were rather discouraged when they took effect."

Because of the cumulative fees, this woman did not take her grandchildren to the Grand Canyon in 1997.

This letter demonstrates the need for more sensitivity to those who are less well off. Even so, this woman's complaints transcend income. Simplicity and affordability should be the order of business for the federal agencies. Fees, particularly in popular parks like the Grand Canyon should be re-evaluated for their impact on lower income communities

2. Entrance and user fees should be reasonable and convenient and unobtrusive into the hiking and trail experience. Fees should apply to as wide an area as possible – regional or state-wide fees are optimal. One exception is where the recreational use causes more than minimal impact to the land; in those cases, an additional mitigation fee should be considered.

One of the difficulties with the demonstration program is that it charged the agencies to come up with many different ways to generate revenue. This has led to micro-managing fees, rather than fewer and farther-reaching fee structures, such as region-wide or state-wide passes. American Hiking advocates the latter, broader fee structure as one which will make visiting our national public lands easier and more convenient.

An example of the confusion which can arise from intricate and multiple layers of fees is occurring on Vail Pass in Colorado. The Forest Service is charging a per person, per day fee as hikers and other recreationists park their cars, rather than charging per car. The fee increases on weekends. The fee also varies depending on the number of days a person is actually on a trail. For instance, if a snowshoer parks at Vail Pass and enters the backcountry for three days, he has to pay for his two days on the trail on the way out and on the way back, but not for the day he spends at a backcountry cabin. To further confuse matters, the fee varies depending upon which side of the road the recreationist parks.

In November, 1997, The Mountaineers, a 15,000-member outdoor recreation and conservation group based in Washington State, hosted its second annual User Fee Conference. Attendees voiced strong support for a regional fee requirement. They also complained about the current multiplicity of user fees, with a different sticker required for every trailhead. This leads to frustration, makes compliance difficult, and will likely result in keeping all but the richest citizens off of public lands.

3. All of the land managing agencies should actively cultivate and pursue volunteers as one way to offset budget shortfalls and to generate public support and goodwill. When American Hiking Society asked its members if they thought trail volunteers should pay a fee to enter federal land, the immediate and consistent response was no. It is not that hikers think they should not pay at all; rather we assert that the way to encourage trail volunteers is not to charge a fee when they work for free.

Last year, the USDA Forest Service issued a forest-wide memorandum encouraging the forests to work closely with current volunteers when implementing a new fee, and also to use fee waivers to encourage increased volunteerism. American Hiking thinks fee waivers for on-the-ground volunteer work will prove to be a useful tool for the forests.

4. American Hiking feels quite strongly that any revenue generated from the fees should not be used to offset appropriations. We realize that this cannot be guaranteed, but hope that this intent will be made clear and prominent in any recreation fees legislation.

Thank you for the invitation to testify. I look forward to answering any questions the subcommittee may have.

STATEMENT FOR THE SUBCOMMITTEE ON PARKS AND PUBLIC LANDS

Thursday, February 26, 1998

**FEEDEMO and the Road To Self-Sufficient Parks**

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I believe the time will come when Yellowstone, Yosemite, Mount Rainier, Sequoia and General Grant national parks and probably one or two more members of the system will yield sufficient revenue to cover costs of administration and maintenance of improvements.

--Horace M. Albright
Acting Director
National Park Service, 1917

Mr. Chairman:

I am a Research Associate at the Political Economy Research Center (PERC) located in Bozeman, Montana, who has carried out extensive research on park financing issues. First off, let me commend Congress for creating the Fee Demonstration Program for selected national parks and other federal lands. I hope that someday this program will signify an important turning point in park history—a point when our beloved popular parks strived to get off the public dole and endeavored to become self-supporting parks, at least operationally.

When a park is self-supporting managers have incentive to carry out their duties in a financially responsible way. The parks that we have today, which are dependent on tax dollars, create the opposite incentive for managers. This is why we see the $330,000 outhouse at the Delaware Water Gap National Park and exorbitant spending for employee housing.

The Fee Demonstration Program has already shown real progress. The program's 97 parks in fiscal year 1997 generated new revenues in excess of $45 million from higher fees, 80 percent of which remains in these parks. New legislation offers even greater potential for financially healthier parks. Program participants can now retain 100 percent of total user fee revenues, which are estimated to reach $132.5 million in fiscal year 1998.

Further improvements can be carried out to steer parks toward self sufficiency. For one, the program applies to only 97 of the 376 national park units. That means three-fourths of our parks remain heavily subsidized by taxpayers and by parks that generate revenue on their own.

Secondly, fees remain at unrealistically low levels. Admittedly, fees in many fee demo parks have doubled and new fees have been introduced, yet it is still possible for a car load of passengers to visit as many national parks as many times as they like in a single year for just $50. If anyone in the vehicle is over 65, the *lifetime* fee is only $10. For just $20 a family of four can visit Yellowstone for a week. Compare that with a day at Disney Land for about $140. Admission fees to many parks cover an entire week, not a single day. If entrance fees were charged by the day, not only would parks raise more revenues, but they would begin to address the overcrowding that plagues our more popular parks.

Finally, the present institutional structure that governs our national parks provides no motivation for eliminating wasteful spending. We need to reward park managers who find cost savings by allowing them to apply all of the savings to the park's budget as an enhancement, not an offset.

**Tax-supported parks are poorly maintained**

It is clear that heavily subsidizing parks does not guarantee that they will be well maintained. The National Park System has had an increasing operating budget of nearly 3 percent per year after inflation since 1980. Yet our parks are in disrepair and visitor services are waning. Why do we spend more on extravagant housing for park service employees or finance a $330,000 outhouse when sewer systems are needed and roofs are leaking?

**Self-sufficient at the start**

I think it is worth noting that the original intent for our early national parks was that they be self-supporting operationally. The nation's first parks charged and retained user fees to enhance park operations and services. By 1916, at least seven parks charged seasonal auto fees which in today's dollars would amount to $26 to $135. Five of these parks actually generated revenues in excess of their operating budgets. These parks were Yellowstone, Yosemite, Mount Rainier, Sequoia and General Grant (now part of Kings Canyon/Sequoia). Notably, park fee receipts were held in a special account accessible to the Park Service, thereby providing park personnel an incentive to collect fees.

Unfortunately, Congress took this incentive away in 1918 by requiring all park fees to revert to the federal treasury. With revenues going to the treasury and the lion's share of funding coming from tax dollars, the Park Service has had little incentive to run the parks efficiently.

**Lessons from state parks**

Many of our state parks provide a valuable lesson for how self-supporting parks can be financially robust, while also serving the public and protecting their environmental or natural resources. With a tighter fiscal climate than the national parks, many state park systems have

made progress toward fiscal autonomy. There are now 16 state park systems that generate more than half of their operating costs from user fees.

In fact, New Hampshire and Vermont are totally self-sufficient in their park operations. Both systems are mandated to cover their operating budget with revenues and have been given autonomy over park finances.

But it is not entry fees alone that generate park revenues. Arkansas state parks collect no entry fees but generate a return of $2 per visitor by providing numerous visitor services. From "fun-runs" to fishing derbys, equipment rentals and eco-tours, the system generates revenues to cover 60 percent of its operating budget.

In addition, state parks have implemented reforms to motivate cost savings. Under the entrepreneurial budgeting system, Texas state parks are ensured all cost savings will remain within the park for subsequent years' spending as a budget enhancement. California state parks follow a similar program, allowing all cost savings to remain within the park district. Any shortfalls, however, will be taken away from the following year's budget.

At the same time, these parks are becoming better stewards of the land. Responding to visitor demand, many parks are making greater efforts to manage their resource amenities. Take Brazos Bend State Park in Texas, for example. Under the new entrepreneurial budgeting system the park retained sufficient revenues to afford a plant shredder to help re-create wildlife openings. Texas' Big Bend Ranch State Park is another park that has limited visitor numbers in sensitive areas.

With a goal of self-sufficiency we can expect better services, better resource management, and greater efficiencies in park operations. Comparing adjacent state and national parks in Texas, California and South Dakota, where the attractions are similar and where state parks rely heavily on user fees but the national parks do not, state parks earn more revenue per acre, spend less per acre, and offer more services (Exhibits A, B, C, and D).

**Where to from here?**

Thanks to Congress, the National Park Service is making progress toward greater autonomy at selected national parks.

Further changes are needed, however, to make further progress. We recommend the following:

- Congress should establish a fixed schedule that gradually reduces annual appropriations for park operations until they reach zero. Removing the dependency on general funds spurred Texas, New Hampshire and other state park systems to respond. The Park Service must face the same reality.

- Congress should allow park managers to institute their own fee-based services as long as these services are compatible with the protection of the natural amenities. Texas park

managers have shown that parks can offer a variety of services while protecting natural amenities.

- Congress should allow parks to keep all cost savings and apply them to budgets for subsequent years. These funds should be treated as budget enhancements, not offsets to subsequent funding. Texas parks show the benefits of successfully motivating managers to cut costs.

- For responsible capital spending, each park should have a special "park endowment fund" for capital improvements and repairs. Profits from user fee revenues, a percentage of concession sales, and park road tolls are possible sources. Private investment sources for facilities is another. Proposed legislation allows parks to raise money from bonds sold in the marketplace. Private investors would be less tolerant of a $330,000 outhouse!

Thank you, Mr. Chairman, for the opportunity to speak here today on this critical issue.

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Robert M. Dingman
Washington Representative

**TESTIMONY OF**
**ROBERT DINGMAN,**
**WASHINGTON REPRESENTATIVE,**
**AMERICAN MOTORCYCLIST ASSOCIATION,**

**REGARDING THE**
**IMPLEMENTATION OF THE RECREATIONAL FEE DEMONSTRATION PROGRAM**

**BEFORE THE**
**U.S. HOUSE OF REPRESENTATIVES COMMITTEE ON RESOURCES,**
**SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS,**

**FEBRUARY 26, 1998.**

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Mr. Chairman and members of the committee, my name is Robert Dingman and I am the Washington Representative of the American Motorcyclist Association (AMA), an organization with over 222,000 motorcycle enthusiast members. The AMA appreciates the opportunity to provide testimony regarding the implementation of the Recreational Fee Demonstration Program.

In previous testimony provided to this subcommittee, the AMA asserted that there are several essential principles which must be contained in any recreation fee proposal. They are as follows:

- that the fees are equitable, and aimed at recovering costs where the services provided, or the facilities used, would otherwise represent significant costs to the taxpayers;
- that the fee system is efficient, costing the least amount practical to administer;
- that the fees are convenient for the recreationist, so that voluntary compliance is readily achievable;
- that the fee system is coherent and integrated, so that overlapping charges are minimized and federal, state and local fees are integrated where appropriate; and
- that fee revenues are returned to benefit resources, facilities and programs utilized by those paying the fees.

The above mentioned principle which, if excluded, would prove most problematic for the off-highway vehicle community is the idea that the fee system should be coherent and integrated. The motorized recreation community has for many years paid a host of fees such as motor-fuel taxes and registration fees that have been imposed by

state governments as user fees and been returned to those areas, including Federal sites, where they are generated.

Several states have user fee programs that are funded by the payment of registration fees for off-highway vehicles, and a small percentage of state motor-fuel taxes, which are returned in the form of grants to various land management entities, including **federal land management agencies,** for the development, operation, and maintenance of recreational facilities.

For example, the State of **California** has perhaps the best known such program which is commonly referred to as the "Green Sticker" program named for the registration sticker required on vehicles ridden in areas funded by the program. Both the U.S. Forest Service and the Bureau of Land Management (BLM) are beneficiaries of the program. According to data provided by the Off-Highway Vehicle (OHV) Division of the California Department of Parks and Recreation, over the last several years Federal land management agencies have received an average in excess of $10 million per year in grants from the "Green Sticker" program.

Another very successful program can be found in the State of **Utah**. According to Utah's Department of State Parks and Recreation, the income generated in 1997 from both a $12.50 per year off-highway vehicle registration fee and a portion of the state motor-fuel tax is in excess of $1.2 million. Of this amount, $175,000 was available in 1997 to federal agencies for grants to off-highway vehicle facilities. The Forest Service applied for and received just $74,000 of this money. The BLM didn't even apply for any grants, leaving over $100,000 unexpended. With this amount available to the land management agencies going unexpended, it doesn't seem necessary to impose any additional fees on the off-highway vehicle community.

These state run programs are excellent examples of partnerships which include state, federal, and private partners. They are programs that see a significant amount of money returned to the users who pay the fees and a minimal amount gobbled up by the federal government for administrative costs. These are the types of programs that should be encouraged. Unfortunately, rather than encourage such programs, the Recreational Fee Demonstration Program has put these programs at risk.

Many of the fees imposed under the Recreational Fee Demonstration Program have not met the essential criteria that the fees be coherent and integrated. My comments pertain specifically to the U.S. Forest Service and the Bureau of Land Management as the other agencies don't provide recreational opportunities for off-highway vehicle enthusiasts.

When the AMA last provided testimony on the subject of the imposition of fees at public recreation facilities, we expressed a lack of confidence in the ability and willingness of the land management agencies to conduct a program which provided the necessary protection against the duplication of fees. Although we believe that land

management agencies needed the flexibility necessary to encourage innovative ideas, we cautioned against providing the agencies the latitude to impose a redundant fee on a user group already paying for access to a particular facility simply because it was easy to charge them again. The progress report on the Recreational Fee Demonstration Program has proven our concerns to be well-founded.

When the Forest Service and the BLM issued their initial proposals for areas to be included in the Recreational Fee Demonstration Program, both included a number of sites that were already being funded through grants from state funds derived from the imposition of fees on off-highway vehicle enthusiasts. Both agencies proposed to charge fees at some of the most popular off-highway vehicle areas ranging from $3 to $10 per day per area while continuing to submit grant requests from state imposed user fee programs that amount to an average of $1 million dollars per grant per area.

That's right; our worst fears were realized. Consider, if you will, the motor-fuel tax and the registration fee comprising two layers of fees. The agencies proposed to impose what amounts to a ***third layer of fees*** on a single group of users who has been paying their way all along.

As you can imagine, the outcry from the off-highway vehicle community was intense. As a result of this outcry, some of the most popular areas in the California Desert District managed by the BLM were temporarily taken off the list. I understand however, that they are slated to be re-proposed in the near future. In fact, over the President's Day week-end, fliers were apparently distributed by the BLM which announced that fees would be imposed beginning this April at the popular off-highway vehicle area, Imperial Sand Dunes Recreation Area. This area already receives nearly three quarters of a million dollars a year from the California "Green Sticker" Program.

The Forest Service only gave the off-highway vehicle community lip service when it came to discussing the areas they had proposed for inclusion in the pilot program which were already being funded with user fees. They publicly expressed a willingness to evaluate the areas they had chosen but never took any areas off the list. One good example of this is the so-called "Enterprise Forest" or the "Southern Province Forest" comprised of the four National Forests in southern California. Despite a year of planning for the "Adventure Pass" program and another year collecting fees, we are informed that Forest Service personnel cannot tell us with any degree of confidence what recreational activities generated their fees.

The situation on the Enterprise Forest illustrates the ***third layer of fees*** that the off-highway vehicle community has been asked to pay. The southern California forests all receive "Green Sticker" money to support their off-highway vehicle programs. None of these forests would have off-highway vehicle programs at all if it were not for the "Green Sticker" program. Prior to the fee demonstration program, off-highway vehicle enthusiasts needed only a "Green Sticker" to enjoy their sport on Forest Service facilities in southern California. Since the demonstration program, in addition to

needing a "Green Sticker" on their vehicles, off-highway vehicle enthusiasts have needed to purchase an "Adventure Pass" in order to park their trucks and tow vehicles in staging areas that were built and maintained with "Green Sticker" dollars. This has set up a situation whereby off-highway vehicle enthusiasts are being required to pay a ***third layer of fees*** for something for which they have already paid.

Recently, an AMA affiliate, the Central Coast Motorcycle Association, held a Sunday event in the Los Padres National Forest that attracted participants and their families from all over the state. Los Padres is one of the "Enterprise Forest" units. Forest Service agents were on hand to sell "Adventure Passes" to early arrivals on Saturday but due to the popularity of the event, the agents ran out of permits early Saturday afternoon. The forest could not find any agents willing to work on Sunday to sell the passes, but did manage to find law enforcement officers willing to write tickets to every attendee. Even those who had managed to buy a pass on Saturday before the supply was depleted were not left out. The passes were for calendar days and not 24 hour periods. Since they had by then spent the night camping out on the forest, the unlucky participants were now in violation.

While the AMA maintains a position of support for any recreational fee program which contains all of the essential elements outlined above, we do not feel that the Recreational Fee Demonstration Program as implemented by the U.S. Forest Service and the Bureau of Land Management has met the minimum standards. Neither agency has done an acceptable job of ensuring that the fees they impose are coherent and integrated. The AMA would support permanent fee authority for the land management agencies provided that safeguards were put in place to ensure that our essential criteria are met.

Perhaps permanent fee authority could be provided in a manner which would allow fees imposed by states, and then transferred to federal agencies in the form of grants, to be scored as a fee generated by the land management agency for the purposes of satisfying their responsibility for developing revenue from fees. Since the state is absorbing the bulk of the administrative costs, none of this revenue would be required to be sent to Washington. The benefit of this addition is threefold: (1) it would eliminate the disincentive for existing state programs to continue providing grants to the federal agencies because they don't want any portion of the fees generated by the states to go to Washington; and (2) it would encourage similar state programs in states that don't have them because more money generated in the state would stay in the state, and (3) it would ultimately reduce the administrative burden on the federal agencies, perhaps the most important benefit from the subcommittee's perspective.

The challenge for the land management agencies, it seems to me, is to develop innovative ways of collecting fees from visitors to the facilities they manage whom have not traditionally been asked to pay for the privilege of visiting those facilities. When the recreational fees program was first envisioned, there was talk of future technologies which would be utilized to enable the federal agencies to collect a fee, for example,

from an individual who was carrying a card in his or her pocket that could be detected from any point of entry. Instead of meeting this challenge to their fullest potential, the U. S. Forest Service and the Bureau of Land Management have, from our perspective, taken the easy way out and imposed fees on individuals from whom they have already figured out a way to get fees.

Thank you for the opportunity to provide these comments as part of the official record of the hearing held before the Committee on Resources, Subcommittee on National Parks and Public Lands, February 26, 1998.

**Robert M. Dingman**
**Washington Representative**
**American Motorcyclist Association**
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**Testimony to the Subcommittee on National Parks and Public Lands, Oversight Hearing on the Implementation of the Recreational Fee Demonstration Program, Thursday, February 26, 1998, with particular reference to the January, 1998 Progress Report to Congress on this Program.**

**by Alasdair Coyne,**
**Keep Sespe Wild Committee, Ojai, CA.**

Mr. Chairman and Members of the Subcommittee,

It is my honor to appear before you today to discuss the issue of Forest Service access fees, and my responsibility to inform you that this well-intentioned program threatens many of the principles previously held dear by Congress and the Forest Service, while eroding public confidence in the government's ability to serve our common good.

After several decades of civic activism, I have never seen so many people so outraged at a government program. The program is upsetting a great number of people, far out of proportion to the minimal fees collected. Democrats are upset at the commercializing of public land. Republicans are upset about the inefficiency and ineffectiveness of a program rooted in the idea of running government like a business. Hunters and fishermen are incensed at the additional fee tacked on to their license expenses. Hikers are upset at the very principle of being forced to pay, to enter our National Forests.

As one outdoor enthusiast from my area was quoted in the Ventura County Star, "The Adventure Pass has proven wildly unpopular with Forest users. I have always believed that the Forest Service lands belonged to all Americans. How meaningful is the land of the free when they are charging us just to walk in our National Forests?"

I believe that this fee-for-access program, as it applies to our National Forests, should be abandoned out of respect for the hundred year tradition of free and unfettered access to our National Forests. I believe that this is a principle truly worth fighting for.

However, let me make a few important points about the Report you have received in Jan., in evaluation of this program.

First of all, this fee pilot program is not generating nearly the funds projected, nor does it apply the funds that are raised to Forest maintenance, as promised. The USFS stated, when this program was initiated, that it would generate a wealth of new revenues and would allow "80% of all the fees collected between 1996 and 1998 to go into the recreation maintenance budget of the National Forest where collected."

Even the best attempt at whitewashing cannot cover the fact that this is a tremendously inefficient program. Despite its lofty goals, a mere third (34.5%) of fees collected were, in the end, available for recreation facilities in Southern California, after the first summer. For Los Padres Forest, next door to my home, internal Forest Service documents put that figure at only 12% after expenses. This is despite the fact that the costs of the program have been severely underestimated and do not include the considerable dedication of time by District Rangers, Recreation Officers and Forest Police, whose salaries are not subsidized by the fees.

The Report also does not indicate how much of the fee income went to staffing and enforcement, often the largest expenditure by far. In fact, the Report is not even clear on how much was collected through these fees. The Forest Service has two sets of figures for fee

demo receipts for FY97 in the report - $9.9 million and $8.7 million, for the same agency in the same period.

As usual, US Forest Service usage figures are also inconsistent. The Report states that fee demo sites totalled only 4% of the total 1997 visitation. But the US Forest Service has elsewhere estimated that California represents 22% of nationwide Forest recreation use. So, how then can it be that the four participating Southern California Forests (covering half of the state's population), comprise only a fraction of 4% of total visitation? My point is simply that the Forest Service has no idea about true usage rates, and dangerously less about the impact of this unpopular program on those rates.

The anecdotal evidence is strong that this program is generating distrust of the Forest Service and disuse of the Forest. Any survey which concludes that the majority of Forest users support access fees is a work of fiction. Evidence supposedly based on comment cards cannot hope to capture the opinion of the majority of users, when the majority of users are not assumed even to be complying with the program!

The Report calls for the development of a costumer communications package. This means that they need to find a way to better sell something that the public clearly doesn't want to buy. Perhaps the only success Congress has had with this inefficient and costly program is teaching the Forest Service to parrot the rhetoric of business. Forest Service materials now refer to users as customers, and US Forest Service Chief of Staff Francis Pandolfi says (speaking of recreation) "for the first time, we are selling a product." But the public already owns the land. We don't want to buy it back a la carte. We expect Congress and the Forest Service to manage it without doubly taxing us through both access fees and annual federal income taxes.

It is here that the Report gives the lie to the entire fee-for-access program. The maintenance backlog for the US Forest Service is currently estimated at $1 billion. Expected contributions to this backlog from the forty participating sites for FY98 constitute only 0.38% of the backlog. At that rate, it would take over 250 years to successfully replace the failed responsibility of Congress to adequately fund Forest recreation budgets.

Forest users aren't dumb. We are willing to pay more for campground facilities, but not to surrender all Forest access while the US Forest Service loses approximately $400 million a year through road building and below cost timber sales to logging corporations. It is impossible to miss the corporate interest in privatizing the Forests and Disney-ifying public lands through concessionaire rights. What is difficult to understand is the need to surrender the public trust to these corporations.

Government should be efficient, but it cannot hope to be a business. Forest Rangers should not be meter maids, and their Supervisors should not be PR flacks. The Forest Service mission is frankly more important than any commercial enterprise. It begins with protecting the land and ends with enabling everyday Americans to enjoy nature without commercialization. When Congressman Jim McClure of Idaho warned that people would not want to pay to see the sunset, he hit the nail on the head. The only question is, who would be so presumptious as to try to sell the sunset? It is unfortunate that, as one US Forest Service writer has argued, "almost everything, including Nature, is essentially being reduced to the status of 'commodity', to be bought and sold."

Members of the Committee, you are here today because you have demonstrated great skill in reading the public mind and responding to its will. Your position creates great opportunity to serve the public good. It is my belief that my presence before you can help serve that purpose by bearing witness to an unpopular, unsuccessful program that is unworthy of your continued support. I thank you for your time and hope to commend your good judgement.

**Further comments on the Jan. 1998 Fee Demo Progress Report to Congress, US Forest Service Segments.**
Five minutes does not allow a full airing of the questions raised by this US Forest Service Report. Below are further comments.

In Los Padres Forest, Southern California, the fee demo program raised $158,600 for use and improvements, between April and December, 1997. Meanwhile, the costs for Los Padres fee enforcement staff are running at $44,500 per quarter, at off-season staffing levels, or at least $178,000 per year. Not much money will be left over for recreation facility maintenance.

The Report states that collection costs amounted to 53% of total US Forest Service fee collections, although for some reason, capital costs and collection costs were totalled together. This is not how to prepare a business' figures. (FY98 collection costs are still expected to be 24% of total collections.) High collection costs, in the long run, will cause a project to be dropped or modified, states the Report.

Southern California's four Forests, adjacent to the largest population concentration anywhere near a Forest, brought in a little over $500,000 - and over a third of that ($151,000) went to enforcement staffing. Now, some enforcement staff do pick up some trash. On the other hand, when I addressed a meeting of 75 people in one Los Padres Forest community, the whole room burst into laughter when I suggested that some fee enforcement staff pick up trash. They'd never heard of - or seen - such a thing.

Los Padres Forest has 10 million visitors a year, they claim. Within Los Padres Forest, the sales for calendar year 1997 totalled 5,185 annual passes and 5,732 daily passes. At two people per vehicle and at ten visits per annual pass, this totals 115,000 visitors a year. In other words, one vehicle in 86 has displayed an access pass. Doubling the sale of passes next year would only bring this to one vehicle in compliance out of every 43 vehicles in the Forest. The point, however, is to question the credibility of US Forest Service visitation estimates.

In Los Padres Forest, seasoned observers have noted distinctly fewer visitors since the fee demo project began. One business located within this Forest has seen fewer customers - and here, I mean customers. Those who have stopped there have mostly complained about the access fees.

Training costs for the Southern California site alone were over $400,000. That was for around 40 new employees, several of whom were laid off in the Fall. That comes to around $10,000 per person trained.

The pre-demonstration project study for Southern California was also bogus. Only one small group was surveyed from the entire Los Padres Forest. A third of the study group participants were pulled in from the street to make up the numbers and were not Forest users. No question was asked about whether or not there should be fees. Even then, a majority opposed access fees.

Please note that two recreation sites out of the Forest Service's 40 (Mt. St. Helens and the Tonto National Forest), brought in $3,733,856 of their total fee demo income of $8,721,664, or 42%. What does this have to say about the fee programs as a whole?

The Report states "a clean toilet is important." "Public acceptance of the new fees is much greater when the public sees and smells improvements." Is this all about toilets, really? No. "Personal contact with the 'Ranger' or comparable recreation professional is, for many visitors an important aspect of the recreation experience." So, it's all about toilets and a nice chat with Ranger Bob.

The problems apparent in the Southern California fee demo test site are mirrored around the Nation. In Oregon, in eastern Washington, in New Hampshire, the majority of fees go to other destinations than our Forests' deteriorating recreation facilities. Mostly to staffing costs.

While we all agree that the US Forest Service needs more funding for its recreation budgets, Forest access fees are not a publicly-acceptable source for such funding. The fee demo program is not a tool to repair our crumbling Forest facilities, it is a means of shifting the burden of payment. The program is doing untold harm to the US Forest Service's public image, even as it intensifies the public's distrust of government.

Many user groups are affected by these access fees. There are hikers and hunters, mountain bikers and equestrians, fishermen and ORVers, plant and wildlife enthusiasts, rafters and kayakers, climbers and cross-country skiers, Boy Scouts and hang-gliders. Car campers have expressed every willingness to pay a fee for the facilities they use, which require regular maintenance. But for the others above, a fee to park their car is simply one step too far. For many people, it is a "last straw" issue. Many visitors go to their Forests to get away from manmade facilities. They should not have to pay to do so.

While Undersecretary of Agriculture Jim Lyons stated in December 1996, that "recreation is going to be our business in the future", the American people do not see the US Forest Service as a business. Nor do they want to. They resent being called "customers" on their own land. The US Forest Service is here in part to serve the people, but it will never sell us our own Forests.

Neither do the American people want corporate America to be selling them access to their own Forests. They're already writing letters to the editor complaining about the Disneyfication of the last remaining wild places.

The American Recreation Coalition (ARC), recreation industry lobbyists, have bought the right to report to Congress on the public's response to the fee demo program. The public certainly never asked the ARC to do this for them. They are perfectly capable, themselves, of passing on their own views on the program, to Congress.

Lastly, Forest users are beginning to understand the connection between shrinking Forest recreation budgets, for which Congress is responsible, and the imposition of Forest access fees. It is a clear-cut case of Congress dumping its long-term responsiblity to maintain our public lands.

As one sixteen year old wrote, "They want to take away all of America's beauty. The beach and the Forest are the only places that people can go to find real peace. It isn't right to make us pay."

*Keep Sespe Wild Committee, PO Box 715, Ojai, CA 93024, (805) 646-5960.*

# RECREATIONAL FEE DEMONSTRATION PROGRAM

## Progress Report to Congress

## Volume I — Overview and Summary

Submitted by the

**U.S. Department of the Interior**

National Park Service
U.S. Fish and Wildlife Service
Bureau of Land Management

**U.S. Department of Agriculture**

Forest Service

January 31, 1998

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# Recreational Fee Demonstration Program
# Annual Report to Congress

## Executive Summary

Congress authorized the Recreational Fee Demonstration Program to begin on October 1, 1995 and to end on September 30, 1998, and later extended the program for an additional year. The program authorizes the National Park Service, Bureau of Land Management, U.S. Fish and Wildlife Service, and USDA Forest Service to implement and test new fees across the geographic and programmatic spectrum of sites that they manage. Importantly, the program allows the participating agencies to retain all of the demonstration project revenues, and to retain at least 80 percent of the revenues at the sites where they are collected. These revenues yield substantial benefits because they provide on-the-ground improvements at local recreation sites.

As of September 30, 1997, there were 97 National Park Service demonstration projects, ten Bureau of Land Management projects, 61 U.S. Fish and Wildlife Service projects, and 40 USDA Forest Service projects. The agencies collected $138,775 thousand in revenues from all recreation fee sources during the first year of the program at Recreational Fee Demonstration Program sites. This represents an increase of $53,493, or 61 percent, from revenues the previous year, a gain that is attributable to the Recreational Fee Demonstration Program. It is clear that substantial gains can be made in generating revenues from recreation sites.

As a result of the Recreational Fee Demonstration Program, the agencies are beginning to apply the revenues to backlogged projects and to improving public services on the fee demonstration sites. The National Park Service is using the new revenues to reduce backlog needs in maintenance, infrastructure, and resource management, as identified in the Department of the Interior's ongoing efforts to establish clearer priorities. The U.S. Fish and Wildlife Service is using the revenues to improve visitor services and facilities, such as boat docks and ramps, auto tour routes, information kiosks, exhibits, signs, brochures, and trail guides. The Bureau of Land Management is using the revenues to improve campgrounds, parking areas, visitor services, site access, safety and health services, and environmental protection. The USDA Forest Service is using fee demonstration funds to provide quality recreation settings, reduce maintenance backlogs, and provide enhanced public services.

Public acceptance of the program has been generally high. There has been strong public support for retaining fee revenues at the site to improve visitor services and not return revenues to the United States Treasury. In a National Park Service survey of visitors, 85 percent indicated that they were either satisfied with the fees they paid or thought the fees were too low. In a USDA Forest Service survey, 64 percent agreed with the statement that the opportunities and services they experienced were at least equal to the fee they paid. Visitation to the fee demonstration sites does not appear to have to have been significantly affected, either positively or negatively, by the new fees.

The flexibility provided to the agencies has resulted in innovative approaches to fee collection, and a high level of responsiveness to the public in the design and implementation of fee programs. The ability to retain funds for visitor improvements at the site has given agency personnel a strong incentive to work with the public on revenue generation, and is the source of public support to the fee program. It is important that future fee programs contain these agency and public incentives, and that they provide flexibility to tailor fee programs to specific needs and situations and to address revenue inequities. Permanent statutory authorization would allow agencies to strengthen multi-agency and multi-governmental fee arrangements and make the long-term plans and investments in fee collection infrastructure needed for an efficient fee program. It would also provide the stability for agencies to establish procedures for collecting, tracking, and allocating fee receipts in a clear, accountable manner.

Several issues remain that the agencies will be working through over the course of the Recreational Fee Demonstration Program. These include:

- Incentives—What is the best way simultaneously to retain strong incentives for local managers to collect fees, incentives for the public to support the fees, and management flexibility to consider agency-wide, as well as local, backlog priorities?

- Revenue sharing—What are the fairest and most effective ways to share fee collection costs and fee revenues among the agencies participating in joint fee arrangements?

- Uses of fee revenues—What is the best way to insure that revenues raised by fees enhance and supplement recreation facilities services and do not become a substitute for operational funding through the regular appropriation process?

- Cost of collection—What are the most effective approaches for minimizing the costs of fee collection relative to fee revenues?

- "Seamless" fees—How can we reduce the number of fees faced by the recreating public while at the same time tailoring fee programs to specific situations and locations?

# Recreational Fee Demonstration Program
# Annual Report to Congress

## I. Introduction

### Background

Congress authorized the Recreational Fee Demonstration Program in section 315 of the Omnibus Consolidated Rescissions Act of 1996 (P.L. 104-134) and amended the program under Public Law 104-108 and Public Law 105-18. Four federal land management agencies—the National Park Service, Bureau of Land Management, U.S. Fish and Wildlife Service, and USDA Forest Service—were mandated to implement a Recreational Fee Demonstration Program. This project allowed these agencies to test new fees across the geographic and programmatic spectrum of sites that they manage. Initially, the agencies were to retain all of the new fees in excess of a base figure, with 80 percent of the retained fees to be used at the sites where they were collected, and 20 percent to be distributed nationally to any site under the administrative jurisdiction of the collecting agency. The Interior Appropriations Act for FY 1998 removed the base year requirement, thus allowing the agencies to retain all of the recreation fee revenues, not just the additional revenues in excess of FY 1994 collections.

Originally, Congress authorized the Recreational Fee Demonstration Program to begin on October 1, 1995 and to end on September 30, 1998, and mandated a final report to be submitted to Congress on March 31, 1999. The original schedule was designed to allow agencies time after completion of the demonstration program to prepare an evaluation report. Subsequently, Congress extended authorization of the program by one year, to end on September 30, 1999, but did not extend the date for the final report. Thus, the agencies currently are working to meet the final reporting deadline of March 31, 1999, though to do so means that the report will not reflect findings from the last year of the demonstration project.

As of September 30, 1997, there were 97 demonstration projects underway or planned at National Park Service sites. The U.S. Fish and Wildlife Service had 61 approved demonstration sites underway in FY 1997, with an additional 10 sites to begin in FY 1998, all but one of which are on units of the National Wildlife Refuge System. The Bureau of Land Management had ten projects underway in FY 1997, with more planned for FY 1998. The USDA Forest Service had 40 projects operating in FY 1997, and plans to add 45 additional demonstration projects in FY 1998. Preliminary assessments were conducted by the National Park Service and the USDA Forest Service during 1997. All four agencies have evaluation projects underway, and will conduct field evaluations during the 1998 visitor season.

The FY 1997 Interior Appropriations Act requires the land management agencies to prepare a joint report by January 31, 1998, with information on fee collections in FY 1997 and estimates for FY 1998, backlog projects, methods of fee collection, lessons learned, and suggestions for legislative and management improvements. This progress report is intended to meet that interim reporting requirement.

**National Park Service.** The National Park System contains 376 units comprising a total of more than 83 million acres. Fee collection in the national parks dates to 1908, when an auto permit fee was established in Mount Rainier National Park. In recent years, recreation fees have been collected under the authority of the Land and Water Conservation Act of 1965 (as amended), under which all fee revenues were returned to the U.S. Treasury and thus included, indirectly, in the Service's annual appropriation. Fees have also been collected for special park uses under 16 U.S.C. 3(a) and 31 U.S.C. 3701, in accordance with OMB Circular A-25. Under this authority, the National Park Service has recovered the costs incurred for providing special park uses, but has returned to the U.S. Treasury any revenues in excess of costs.

In FY 1996, the National Park Service collected a total of $77.8 million in recreation fee revenues. In FY 1997, fee collections rose to $122.2 million, resulting in $45.1 million being returned by the National Park Service under the Recreational Fee Demonstration Program for use in the parks. The National Park Service has determined that the majority of new recreation fee revenues will be dedicated to reducing identified backlogged maintenance, infrastructure, and resource management needs. Some of the demonstration fee revenue will also be reinvested in infrastructure and new collection methodologies to prepare additional areas to collect fees and provide for overall collection efficiency across the Service. Recreation fee revenue will not be used to fund permanent staff salaries and expenses, except for those salaries directly involved in the collection of fees.

A full evaluation of the National Park Service's Recreational Fee Demonstration Program will be conducted using contracts with universities. Every demonstration project will be evaluated for collection efficiency, visitation trends, revenue generation, and revenue expenditures. A dozen case studies will be conducted at a cross section of the projects to sample public opinion on the new fees. Three in-depth case studies will be conducted to look at whether the new fees have had an impact on local and regional economies or whether the fees have affected visitation by various socioeconomic groups. For each major project, the National Park Service will prepare a capital asset plan that specifies up-front the project's cost, schedule and performance goals.

**U.S. Fish and Wildlife Service.** The U.S. Fish and Wildlife Service has a system of over 500 national wildlife refuges and 65 national fish hatcheries located in all 50 States, comprising a total of nearly 92 million acres. These areas are managed principally to conserve fish and wildlife, but also provide opportunities for wildlife-dependent recreation that is compatible with refuge purposes. The U.S. Fish and Wildlife Service was first granted authority to charge recreation fees in 1965 under the Land and Water Conservation Act. In 1986, authorization for entrance fees was included in the Emergency Wetlands Resources Act, which provided that 70 percent of the fees collected be used for nationwide acquisition of refuge lands and 30 percent to offset refuge operational and fee collection costs.

In FY 1996, the 65 units that charged entrance and/or user fees collected approximately $2.2 million, of which 30 percent, or $653,000, was available to field stations. In FY 1997, under the fee demonstration program, an additional 35 sites began collecting recreation fees for the first time. Collections from all Service sites rose to $2.9 million, of which $2.1 million were available for use on U.S. Fish and Wildlife Service lands. Funds remaining after recovering collection

costs will be used to improve and enhance visitor services and facilities such as boat docks and ramps, auto tour routes, information kiosks, exhibits, signs, brochures, and trail guides.

The visitor portion of the evaluation for the U.S. Fish and Wildlife Service's Recreational Fee Demonstration Program will be conducted in 1998 under a memorandum of agreement with the Midcontinent Ecological Science Center of the U.S. Geological Survey. Visitor surveys will be conducted on approximately 16 wildlife refuges during peak use and activity seasons, which usually correspond with the highest concentrations of wildlife use. The U.S. Fish and Wildlife Service will conduct its own evaluation of the management and implementation aspects of the Recreational Fee Demonstration Program.

**Bureau of Land Management.** The Bureau of Land Management manages the remainder of the original public domain, a total of 264 million acres of public land. Collection of recreation fees began in the Bureau with a 1972 amendment to the Land and Water Conservation Fund Act. This Act authorized the Bureau to issue permits with fees for special uses such as group activities, major recreation events, or motorized recreation vehicle use, and to levy fees for certain recreation sites and facilities. In 1989, the Omnibus Budget Reconciliation Act gave the Bureau the authority to return fee revenues to the area of collection, with a legislative limit on the amount that the Bureau could retain. The Bureau of Land Management was authorized to charge entrance fees at its eight National Conservation Areas through the FY 1993 Omnibus Budget Reconciliation Act.

The Bureau of Land Management collected recreation fees totaling $3.3 million in FY 1996, and $3.7 million in FY 1997. The new fee projects under the Recreational Fee Demonstration Program generated $419,000 in FY 1997. The demonstration project revenues will be used to improve or expand campgrounds, maintenance and operations, parking areas, visitor services, environmental protection, safety and health services, and access.

The evaluation of the Bureau of Land Management's Recreational Fee Demonstration Program will be conducted by the Pacific Consultant Group, which is currently assisting the Bureau with its customer service evaluations. The Bureau's evaluation effort will use two methods in FY 1998: 1) all pilot recreation fee areas will use a customer service comment card to obtain feedback from users, and 2) the Bureau will use a more formal survey instrument at a representative sample of the pilot recreation fee areas to collect detailed information.

**USDA Forest Service.** The Department of Agriculture's Forest Service manages 191.6 million acres of national forests and grasslands across the United States. The 154 national forests provide a wide range of natural resource values in diverse areas such as minerals, timber, wildlife, range and recreation. The agency manages over 23,000 developed recreation facilities, including campgrounds (over 4,000), trailheads, picnic areas, boat ramps and visitor centers. More than 120 major ski areas are managed under special use permits. There are 412 units of the National Wilderness Preservation System, totaling 34.7 million acres, and over 100,000 miles of designated trails located within national forests.

In FY 1996, approximately 800 million recreation visits were recorded on the national forests. Historic fee programs established under the Land and Water Conservation Fund Act, resulted in approximately $10 million in user fees. User fee collections have been declining in recent years because many developed sites have been turned over to concession management. The USDA Forest Service collects an additional $37.5 million from special use permits for such activities as ski areas, outfitters and guides, and recreation residences. Essentially all these funds in excess of a 25 percent contribution to local counties are returned to the General Treasury.

The USDA Forest Service began implementation of the Recreational Fee Demonstration Program in June 1996, and by the end of FY 1996 collected $20,095 from four small projects. FY 1997 collections from the 40 operating fee demonstration projects rose to $8,721,664, of which $7,736,002 was deposited to Treasury fee demonstration accounts by September 30, 1997. The million dollar difference is due to the time lag that exists between fee collection and actual Treasury account deposits. The difference will be accounted for in FY 1998 Treasury deposits. An additional 45 or more projects are expected to begin recreation fee collections in FY 1998 or 1999. Funds generated under the Recreational Fee Demonstration Program are all in addition to the historic fee collections under the Land and Water Conservation Act.

The USDA Forest Service is using fee demonstration funds to provide quality recreation settings, reduce maintenance backlogs, and provide enhanced public services. Decisions on what work to undertake are guided by the community assessments, project business plans, and public communication plans developed by each project. Local community concerns, user comments and existing backlog information are the key elements used to decide how to assign spending priorities. Some projects are hiring term, seasonal and other temporary employees with recreation fee revenues, to work on backlog reductions, enhanced services and fee collection. In no case are recreation fee demonstration funds used to hire permanent employees.

Each individual project has a business and communication plan that serves as the official authority for the project. These plans are dynamic documents that require ongoing project monitoring and change as the project moves forward and as lessons are learned. This process has proved very effective in project implementation and in adding a professional business focus. Public comments are sought at the national level through a sampling approach using comment cards, and by a variety of means at the local level. More detailed formal studies are either underway or planned, which will examine user reactions to the new fees both before and during the Recreational Fee Demonstration Program.

**Interagency Coordination**

The Recreational Fee Demonstration Program required close coordination among the four agencies involved in the program. The agencies made a serious effort to work closely both in implementing the projects and evaluating the program. Examples of coordination efforts include:

**Regular Meetings of National Fee Managers.** The fee managers began early in the process to meet on a regular basis to discuss plans, problems, and solutions related to implementation of the program. Those meetings, which are still being held regularly, formed the basis for resolution

of problems, indirectly through sharing of information, and directly through appropriate action on joint projects. As an example, at one of the meetings, two national fee managers of different agencies were able quickly to facilitate resolution of a problem that their local managers were having in negotiating a joint recreation fee program. The fee managers agreed upon a common definition of the cost of fee collections that all would use to compare data across agencies and share experiences on the most effective means of collecting fees. In addition, the managers produced a phone and mailing list of key persons involved in implementing and evaluating the Recreational Fee Demonstration Program. The managers collaborated in developing this report, and are preparing common approaches for the evaluation that will form the basis for the final report to Congress.

**Common Approach to Evaluation of the Program.** Fee managers prepared common guidance for those who would be responsible for evaluating the fee programs so that evaluations would be comparable from agency to agency. The fee managers developed a set of common core questions for the visitor surveys; the questions were included in subsequent work statements for evaluation contracts. The fee managers also developed a common format for management information, including revenues, cost of collections, implementation problems and solutions, recreation visitation, and other management issues. Fee managers keep each other apprised of their evaluation efforts, and share interim findings. In one instance, for example, when the USDA Forest Service informed the other agencies of its initial survey of visitor responses to the new fees, the Bureau of Land Management was able to adapt the USDA Forest Service questionnaire for its own use, thus saving both time and money. Fee managers keep each other apprised of progress, and inform their evaluation contractors about the evaluation projects in other agencies. Within the Department of the Interior, the Office of Policy Analysis has been designated to coordinate development of a single evaluation report from the Department of the Interior. The USDA Forest Service participates with the Interior agencies in this coordinated effort.

**Implementation of Joint Projects.** Some recreation fee demonstration projects are conducted jointly by two or more participating agencies. Examples of joint projects include:

- At a national level, the four agencies joined in increasing the price of the Golden Eagle passport, from the original price of $25 per year to $50 per year.

- In the fall of 1996, an interagency working group was formed to develop a coordinated proposal to charge fees at recreation sites within the South Fork of the Snake River corridor. The working group is comprised of representatives from agencies that are responsible for managing recreation access sites along this section of the Snake River, including the Bureau of Land Management, USDA Forest Service, Bureau of Reclamation, Bonneville County, Jefferson County, Madison County, the Idaho Department of Fish and Game, and the Idaho Department of Parks and Recreation. The South Fork of the Snake River corridor includes ten diverse recreation sites that are in varying stages of development. The fees will be collected and deposited in a single account. The interagency working group will prioritize operation and maintenance needs for the following season and determine appropriate distribution of funds. The working group plans to assess the needs of the corridor as a whole, rather than focusing on particular recreation sites.

- Paria Canyon, its tributaries Buckskin Gulch and Wire Pass, and the Coyote Buttes area are part of the larger Paria Canyon-Vermillion Cliffs Wilderness, designated in August 1984. This pilot site consists of a three-way partnership among the Bureau of Land Management, the Arizona Strip Interpretive Association, and the Northern Arizona University. The Association will handle public information efforts, the University will handle reservations, permits, and fee collections, and the Bureau of Land Management will provide project oversight, ongoing, management, and fee demonstration project reporting.

- Tent Rocks Area of Critical Environmental Concern, located 45 minutes from Albuquerque and Santa Fe, New Mexico, is well known for its unique geologic tent formations. A "win-win" partnership was forged between the Bureau of Land Management and the Pueblo of Cochiti in which the Pueblo grants public access to the site through Pueblo property in exchange for co-management responsibility and revenue sharing. The Bureau of Land Management provides 20 percent of the revenues for a Pueblo scholarship fund and will fund a part-time position to monitor and patrol the national recreation trail in order to protect resources and provide for environmental education programs.

- Along the Green River in Wyoming, between Fontenelle Dam and the Firehole Campground, an interagency agreement was developed among the U.S. Fish and Wildlife Service's Seedskadee National Wildlife Refuge, USDA Forest Service, Bureau of Reclamation, and Bureau of Land Management. Under the agreement, the U.S. Fish and Wildlife Service manages a permit program for all of the commercial fishing outfitters using the area, with the other agencies coordinating a comprehensive river study and management program.

- The Allegheny Portage Railroad National Historic Site and Johnstown Flood National Monument have a shared admission fee and partnership pass with the Allegheny Ridge State Historic Park and other local partners.

- The USDA Forest Service's Mount Evans scenic mountain area, near Denver, is accessed by a highway managed by the County of Denver. The entrance station is located on City of Denver land leased with fee demonstration receipts. The cooperative relationship provides the public with an integrated recreation experience of the highest quality.

- The Timpanogos Cave National Monument in Utah has a joint admission fee with the adjacent Uinta National Forest for the American Fork Canyon area.

- The unique Pack Creek Bear viewing area, located on Admiralty Island in the Tongass National Forest in Southeast Alaska, is jointly managed by the USDA Forest Service and the Alaska State Department of Fish and Game. Though fees are charged by each agency, the public is subjected to a single fee only, with revenues being used to provide a safe and enjoyable experience for both people and bears.

**Joint Participation at Training Conferences and Training.** When the National Park Service brought its local fee managers to Washington, D.C., for a training conference on implementation of the new Recreational Fee Demonstration Program, the Service invited fee managers from the

other participating agencies to attend and to make presentations. At a workshop on recreation fees in the National Parks, presentations highlighting their own programs were made by the USDA Forest Service and the Bureau of Land Management. The USDA Forest Service and Bureau of Land Management held a joint workshop on fee management, in conjunction with individual agency workshops on recreation management and a conference of the National Association of Recreation and Resource Planners (April 1997, Salt Lake City). Several presentations at the workshop were made jointly by personnel from the agencies participating in the Recreational Fee Demonstration Program. The USDA Forest Service is planning a national fee demonstration workshop in February 1998 that will include representatives from all recreation fee demonstration agencies.

**Summary of Initial Visitor Reactions**

The final report to Congress on the Recreational Fee Demonstration Program will detail visitor reactions to the new fees. In addition, the report will evaluate the extent to which fees in general, or specific types of fees, affected visitor attitudes or visitor use of fee areas. These detailed evaluations will take place during the 1998 visitor season in each of the four agencies. However, some preliminary data from the 1997 are available, and are summarized below. In general, these data indicate that visitors are overwhelmingly supportive of the fee program, and that visitation to recreation fee sites has not suffered appreciably as a result of the fees.

**Public Communications Regarding the Fee Demonstration Program.** As the fee demonstration program was getting underway, the National Park Service entered into a cooperative agreement with the University of Minnesota Cooperative Park Studies Unit to monitor public reactions to the new fees. The findings of detailed content analysis of public communications related to National Park Service fees were reported in November 1997.[1]

Of the 484 pieces of correspondence to central offices and demonstration parks that were analyzed, public correspondence ran about two to one against the new fees. Thirty-one percent expressed some measure of support and 67 percent expressed opposition. Slightly over half of the people (53 percent) commenting on fees in general indicated support. However, a high percentage (83 percent) of those commenting on specific fees, such as entrance fees, were opposed to them. It should be noted that much of the correspondence focused on specific fees for river rafting through Grand Canyon National Park. These fees were implemented as special park use fees under a different authority than the Recreational Fee Demonstration Program.

In their correspondence, people expressed a wide range of concerns, such as the acceptability of fees in general (64 percent) and equity issues relating to unequal impacts on certain segments of society (42 percent). Other concerns included concerns about the level of fees (e.g., too high for

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[1]Allen L. Lundgren, David Lime, Cynthia A. Warzecha, and Jerrilyn L. Thompson, University of Minnesota Cooperative Park Studies Unit, *Content Analysis of Correspondence Received by the National Park Service Regarding the Recreational Fee Demonstration Program*, Final Report, November 1997.

a short visit) and concerns about the impact of fees on commercial operators such as tour busses and local businesses.

While these data are instructive, they should be used cautiously. First, people who take the time to write and express their views are likely to be those holding a more extreme view on either side of the issue, particularly those who are opposed to the new fees. There would be little reason for people who hold neutral views or who generally accept the fees to take the time to write to an agency or to Congress. Second, subsequent findings from surveys of park visitors indicate a much more positive reaction to the fees.

**Visitor Reactions**. Visitor reactions observed after implementation of the Recreational Fee Demonstration Program were generally positive. In a National Park Service survey in 11 parks during the summer of 1997, a total of 1,306 visitors either completed a self-administered questionnaire, or took part in focus group discussions. In addition, interviewers had informal discussions about the new fees with at least 300 additional visitors, park staff, and concessionaire personnel.[2] Overall, 83 percent of all respondents said they were either satisfied with the fees they paid or thought the fees were too low, with a range of acceptance across the 11 parks from a low of 73 percent to a high of 96 percent. An overwhelming 96 percent of respondents said the fees would not affect their current visit or future plans to visit the park. The remaining four percent said that, because of the new fees, they would visit the park less often in the future.

The strong support that visitors gave to the new fees was related to their strong preference that most or all of the fee revenues remain in the park in which they were collected, to improve visitor services or protect resources, rather than be returned to the United States Treasury.

Similar findings were reported by the USDA Forest Service. When forest customers purchased a fee permit at any test site, they were given the opportunity to respond to a customer "Comment Card." On a five-point scale, from "strongly agree" to "strongly disagree," 64.4 percent of the respondents either agreed or strongly agreed with the statement that the opportunities and services they experienced were at least equal to the fee they paid. However, a substantial number (23.8 percent) disagreed with the statement. The results were about the same for the statement that recreationists should help pay for visitor services on public lands by paying recreation fees.

While public responses were substantially positive with regard to the recreation fee demonstration project, and similar to findings in the National Park Service, caution should be exercised in interpreting these results. The comment cards were strictly voluntary, and respondents were not selected according to the strict standards of statistical sampling. Usually, people who fill out comment cards feel strongly one way or the other. The results bear this out, for there were few responses (usually less than ten percent) in the middle, or "neutral," category.

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[2]Allen L. Lundgren and David W. Lime, University of Minnesota Cooperative Park Studies Unit, *Monitoring 1997 Park Visitor Reactions to the National Park Service Recreational Fee Demonstration Program*, Research Summary No. 10, December 1997.

In spite of these cautions, the results of this preliminary survey can serve as a rough indication of how visitors to the national forests reacted to the fees. The written comments can be used to better understand what people would like to see in the way of improvements, and to raise "red flags" that might direct the attention of the USDA Forest Service to particular customer service issues. The data suggest that the agency should develop a communications package that explains why user fees are needed in addition to the taxes already paid, that emphasizes how the majority of the revenues will be used at the sites to accomplish backlog reduction and enhancements, and clearly explains the visitor amenities that were provided by the fees. The survey to be conducted during the 1998 recreation season will have a stronger scientific basis, and the findings will be presented in the final report to Congress on the Recreational Fee Demonstration Program. Each USDA Forest Service project is also required to identify and track local public comments on the fee program; some of these results are summarized in Appendix D.

In addition to listening to visitor reactions, the agencies will seek responses from concessioners and local businesses that are affected by fees and explore ways to incorporate this feedback into future practices.

**Before-After Data.** The four agencies were not able to conduct systematic visitor evaluations *prior to* the Recreational Fee Demonstration Program in order to obtain "before" data. However, studies conducted independent of the Recreational Fee Demonstration Program provide useful data. One pre-demonstration visitor survey involved users to the four urban national forests in Southern California (Angeles, Cleveland, Los Padres, San Bernardino) known collectively as the Enterprise Forest.[3] At the time the survey was conducted, slightly less than half the visitors believed that the then-proposed fees for use of the national forests were reasonable. When asked if a charge would influence the number of visits they made to the national forests, 39 percent said it would not, and 16 said it would. Those visitors who had paid previously to enter public recreation sites were more likely to say that their future visitation would not be affected by a fee.

A second pre-demonstration project study conducted relative to the Enterprise Forest was based on ten focus groups, for which membership was based upon ethnic origin, recreational interests, or proximity of their residence to the forests.[4] Approximately 30 percent of the participants thought there should be no daily fee at all, while half felt a fee ranging from $1.00 to $5.00 was reasonable. A majority opposed the pilot fee program that was proposed for the Enterprise Zone. Their opposition was based not on the specific fee proposed, but on a general belief that the government cannot be trusted to implement the program fairly.

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[3]Robert Gable and Robert Short, Claremont Graduate University, and Deborah Chavez, U.S. Forest Service Pacific Southwest Research Station, *Pilot Fee Demonstration Project Evaluation: Visitor Surveys on the Enterprise Zone, Phase I—Before Fee Implementation*, September, 1997.

[4]Robert Gable and Rachel L. Burkhardt, Claremont Graduate University, and Patricia L. Winter, U.S. Forest Service Pacific Southwest Research Station, *Assessing Community Impressions of a Fee Pilot Program: Final Report*, September, 1997.

In a 1993 study by the U.S. Army Corps of Engineers in Missouri and Tennessee,[5] visitors were surveyed before and after recreation fees were imposed. Before the fees, almost half of the visitors stated that, if the Corps charged a day-use fee, they would no longer visit their day use areas. Despite these findings, visitation increased after the fee was imposed. Based on indirect measures, the researchers concluded that little displacement of visitors had taken place. The early opposition to fees turned to support, once the fees were imposed, and support increased over time. The Corps found that visitor approval for the fees was higher when a gate attendant took the money than when a mechanical device was used, and there were higher perceptions of recreation quality and security as well.

**Number of Visits**

Visitation rates to recreation sites vary from year to year based on such variables as weather patterns, the price of gasoline, or the exchange rate for foreign visitors. Public events such as a major news feature, motion picture, or historical celebration can also influence visitation numbers. Fee levels can be expected to play some role in determining visitation, but represent only one of many factors. Because the agencies have only one year of data following the implementation of most fees in the Recreational Fee Demonstration Program, the visitation data available to date represent only a snapshot, and cannot tell us whether changes are due to fees or to other factors. The final report to Congress will contain a second year of data, a more detailed evaluation of visitation, and more information on the relative impact of fees of visitation.

**National Park Service.** Visitation rates to National Park Service units vary from year to year based on such variables as weather patterns, the price of gasoline, or the exchange rate for foreign visitors. Public events such as a major news feature, motion picture or historical celebration can also influence visitation numbers. Fee levels can also be expected to play some role in determining visitation, but are but one of many factors influencing visitation.

Annual visitation in 1997 for all parks units that were part of the Recreational Fee Demonstration Program increased by 6.6 percent compared to visitation in 1996, while visitation to non-demonstration sites increased by 3.5 percent. Within the overall increase, visitation increased at some sites with new recreation fees, and decreased at others. The explanation for the visitation changes that occurred between 1996 and 1997, both positive and negative, is not clear in many situations. For example, visitation dropped 16 percent at Allegheny and increased 4 percent at Muir Woods, though both sites instituted an identical new entrance fee. Fee changes may be one possible explanation, but others explanations are also equally likely. The National Park Service will use data gathered from visitors during 1988 to examine in more detail the reasons for specific changes in visitation. The extent to which any of the changes observed in the 1997 data represent long-term trends will have to wait until additional visitation data have been collected in during future years.

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[5]Jim E. Henderson, If We Charge Them, Will They Come?, in *Recnotes*, U.S. Army Corps of Engineers, Waterways Experiment Station, Recreation Research Program, Volume R-97-2, September, 1997.

**Table 1. Overall Changes in Visitation[a]**

| | Number of Visitors (millions) | | |
|---|---|---|---|
| **Agency** | **1996** | **1997** | **% Change** |
| **National Park Service** | | | |
| Fee Demo Sites (97 projects) | 137.8 | 146.9 | +6.6% |
| All Other Sites, fee & non-fee | 128.0 | 132.5 | +3.5% |
| Agency Total | 265.8 | 279.4[b] | +5.1% |
| **U.S. Fish and Wildlife Service** | | | |
| Fee Demo Sites (61 projects) | 9.4 | 9.5 | +1.1% |
| All Other Sites, fee & non-fee | 20.2 | 20.6 | +2.0% |
| Agency Total | 29.6 | 30.1 | +1.7% |
| **Bureau of Land Management** | | | |
| Fee Demo Sites (10 projects) | 1.2 | 1.0 | -10.4% |
| All Other Sites, fee & non-fee | 56.5 | 59.9 | +6.0% |
| Agency Total | 57.6 | 60.9 | +5.7% |
| **USDA Forest Service** | | | |
| Fee Demo Sites (40 projects) | 34.5 | 35.2 | +2.0% |
| All Other Sites, fee & non-fee | 824.7 | 849.8 | +3.0% |
| Agency Total | 859.2 | 885.0[b] | +3.0% |

[a]The data shown in this table reflect visitation in all sites that had recreation fee demonstration projects during FY 1997.

[b]The 1997 visitation totals for the National Park Service and USDA Forest Service are estimates.

Based on the information available to date, we can offer the following general observations. Decreases in 1997 visitation appeared to be most pronounced in the lesser known sites with lower levels of visitation and at sites whose visitors are largely from surrounding communities. For example, several large National Recreation Areas in the west implemented new user fees and experienced reductions in visitation. Visitation at the Amistad National Recreation Area in Texas was 19 percent lower than in 1996, 38 percent lower at Bighorn Canyon National Recreation Area in Montana, and three percent lower at Glen Canyon National Recreation Area. Fees may have played some role in these reductions, but other factors are also likely to have effected visitation levels.

Some of the sites that raised already existing entrance fees, as contrasted with implementing new fees, experienced significantly higher visitation in 1997 after the new prices went into effect.

Visitation increased 17 percent at Bandelier National Monument in New Mexico and 49 percent at Hawaii Volcanoes National Park.

Visitation appeared relatively constant in some of the well-known sites that increased entrance fees. Visitation increased two percent at Grand Canyon and nine percent at Everglades National Park in Florida, and declined by four percent at Yellowstone, five percent at Bryce Canyon, and two percent at Zion.

All of these changes (both positive and negative) represent only a two year snapshot of visitation and should not be interpreted as signifying a long-term trend. Given all of the possible factors that influence individuals' decisions to visit a particular site, it is not possible with preliminary data to attribute all or part of these changes to the new fees.

**U.S. Fish and Wildlife Service.** There were 29.6 million visits to national wildlife refuges in 1996, and approximately 30.1 million visits in 1997. An additional three million people visit national fish hatcheries each year. Nationally, the demonstration program has had no detectible effect on visitation. Visitation in the 61 sites participating in the Recreational Fee Demonstration Program increased by slightly over one percent between 1996 and 1997, compared to an increase of two percent for all other sites. Overall, even on refuges charging fees for the first time there was little to no change in the level of visitation or participation in activities for which fees were charged.

**Bureau of Land Management.** Total visitation to Bureau of Land Management's public land areas increased 5.7 percent, from 57.6 million visits in 1996, to 60.9 million in 1997. There was an overall 10.4 percent first-year drop in visitation in the recreation fee demonstration projects, though it is not possible to determine the precise causes for these decreases based on available data. Possible reasons include: 1) new fees deterred some individual use; 2) some sites were flooded during part of the use season; and, 3) construction projects interfered with use at several sites. Visitation to all fee sites, including but not limited to the ten projects in the fee demonstration program, increased 33 percent, from 2.3 million visits in 1996 to 3.1 million in 1997. Of particular importance to the Recreational Fee Demonstration Program is that most of the increased visitation for the Bureau was recorded at recreation fee sites.

**USDA Forest Service.** Recreation visits to the national forests in 1996 totaled 859.2 million. On the 40 fully operating fee demonstration projects in 1997, use totaled 35.2 million recreation visits, or four percent of total visitation for the agency. Use on the fee demonstration projects increased by almost 724,000 recreation visits, though 14 projects showed slight to moderate use declines in visitation. Factors other than fee increases, such as weather or road repairs, can obviously cause use declines in visitation. In some cases, the public's willingness to pay a new fee level may be the deciding factor as to whether to visit a site. Project managers are studying the first year visitation data, and will make any needed changes for year two of the Recreational Fee Demonstration Program.

## II. Fee Collection Approaches and Revenues

Tables 1 and 2 show the wide diversity of fee types and collection methods the agencies are using. *Type of fee* refers to the specific use for which a recreation fee is charged, such as entrance, camping, or hunting. *Approaches for collecting fees* include the variety of methods used by the agencies to obtain the fee monies from visitors, such as by a ranger at a kiosk, by mail, or by a mechanical device at a remote station. The agencies will continue to look for innovative approaches to fee collection, such as collection by concessionaires and vendors, and consignment sales of the Golden Eagle passport in addition to sales by the agencies at their recreation sites.

**Table 2. Types of Recreation Fees in Demonstration Projects**

| Type of Fee | Number of Applications[a] | | | |
|---|---|---|---|---|
| | NPS | FWS | BLM | USFS |
| Entrance Fee (Individual or Vehicle) for a Site or Visitor Center | 68 | 13 | 6 | 8 |
| Golden Eagle Passport Price Increase | 1 | 1 | 1 | 1 |
| Agency-Specific Annual or Seasonal Pass | | 1[b] | | |
| Unit-Specific Annual or Seasonal Pass | 71 | 25 | 7 | 16 |
| Multi-Unit Pass for One Agency | 6 | | 2 | 4 |
| Multi-Unit Pass, Federal, State and/or Local | 3 | | 4 | 2 |
| General Recreation Use or Day Use Fee | 14 | | | 15 |
| Camping, Picnicking or Cabin Fee | 26 | 2 | 10 | 19 |
| Hunting or Fishing Fee | | 23 | | |
| Wildlife Viewing Fee | | 1 | | 1 |
| Boat Launch or Water Access Fee | 9 | 7 | 5 | 4 |
| Interpretive or Guided Tour Fee | 24 | 4 | 5 | 2 |
| Back Country Access, Climbing, or Trail Fee | 17 | 1 | 3 | 5 |
| Parking and Transportation Fee | 5 | 1 | | 13 |
| Special Event or Building Use Fee | 3 | 6 | | 1 |
| Motorized Recreation and Sanitary Dumping Fee | 5 | | 4 | 3 |
| Outfitter or Expedition Fee | | 1 | | 1 |
| Reservation Service Charge | | | | 2 |

[a]Because there often are more than one type of fee in any particular recreation fee demonstration project, total number of applications will add up to more than the total number of projects.

[b]The U.S. Fish and Wildlife Service accepts the Duck Stamp for entrance into national wildlife refuges.

**Table 3. Approaches Used to Collect Recreation Fees[a].**

| Approach Used to Collect Fees | Number of Applications | | | |
|---|---|---|---|---|
| | NPS | FWS | BLM | USFS |
| Traditional collection at an entrance station or central point by an employee | 76 | 22 | 8 | 32 |
| Honor system or self-service | 16 | 30 | 14 | 25 |
| Automated collection machine | 5 | | | 3 |
| Collection by mail | 5 | 31 | 5 | 17 |
| Collection by concessioner | 6 | 1 | 4 | 7 |
| Collection by volunteers | | 14 | 6 | 12 |
| Vehicle sticker or tag | | 2 | 3 | 20 |
| Vendor Sales | | | | 8 |
| Partnerships | 1 | | 4 | 1 |

[a]Because there often are more than one type of fee in any particular recreation fee demonstration project, total number of applications will add up to more than the total number of projects.

**Table 4. Recreation Fee Revenues, FY 1994-98 [a]**
($ thousands, rounded to nearest thousand)

| Bureau/Receipt Category | Before Demonstration | | | During Demonstration | |
|---|---|---|---|---|---|
| | FY 1994 | FY 1995 | FY 1996 [b] | FY 1997 | FY 1998 |
| **National Park Service** | | | | | |
| Non-fee demo receipts | 75,688 | 80,513 | 77,771 | 77,165 | 9,500 |
| Fee demo receipts | 0 | 0 | 0 | 45,079 | 132,500 |
| NPS Totals | 75,688 | 80,513 | 77,771 | 122,244 | 142,000 |
| **U.S. Fish and Wildlife Service** | | | | | |
| Non-fee demo receipts | 2,239 | 2,258 | 2,177 | 2,325 | 500 |
| Fee demo receipts | 0 | 0 | 0 | 622 | 3,300 |
| FWS Totals | 2,239 | 2,258 | 2,177 | 2,947 | 3,800 |
| **Bureau of Land Management** | | | | | |
| Non-fee demo receipts | 1,807 | 2,624 | 3,311 | 3,249 | 2,525 |
| Fee demo receipts | 0 | 0 | 0 | 419 | 2,700 |
| BLM Totals | 1,807 | 2,624 | 3,311 | 3,668 | 5,225 |
| **USDA Forest Service** [c] | | | | | |
| Land & Water Conservation Fund Act receipts | 1,618 | 1,900 | 2,003 | 1,195 | 43 |
| Fee demo receipts | 0 | 0 | 20 | 8,722 | 17,960 |
| USFS Totals | 1,618 | 1,900 | 2,023 | 9,917 | 18,003 |
| **Total, all four agencies** | | | | | |
| Non-fee demo receipts | 81,352 | 87,295 | 85,262 | 83,934 | 12,568 |
| Fee demo receipts | 0 | 0 | 20 | 54,842 | 156,460 |
| Totals | 81,352 | 87,295 | 85,282 | 138,776 | 169,028 |

[a]The data shown reflect total recreation fee revenues collected by agencies participating in the Recreational Fee Demonstration Program. Many of the demonstration sites had fees in place before the demonstration program was implemented. Thus, some of the revenues in the "before demonstration" columns were collected on sites that later were added to the fee demonstration program.

[b]Though the Recreational Fee Demonstration Program was authorized to begin in FY 1996, only a few projects began in that year. Most projects were launched in FY 1997, following public involvement and community information activities.

[c]The data for the USDA Forest Service apply only to the 40 fee demonstration sites active in FY 1997, and do not include recreation fees at non-demonstration sites. At the demonstration sites, some but not all of the pre-existing fees under the Land and Water Conservation Fund Act were replaced by fee demonstration projects, and new demonstration fees were added. The amount listed for FY 1997 represents fees collected by the agency as of September 30, 1997. Due to normal lag in making deposits to the Treasury accounts, Treasury deposits were $7,736,602. The difference will show up in the Treasury accounts in FY 1998. Data on fee demonstration Golden Eagle passport receipts were not available and are not reflected in USDA Forest Service figures.

**National Park Service**

The total recreational fee revenue in FY 1994 was $75.6 million, and remained relatively constant through FY 1995, at $80.5 million, and FY 1996 at $77.8 million. For FY 1997, the first full year of the Recreational Fee Demonstration Program, National Park Service revenues increased to $122.2 million, including $45.1 million in new revenues attributable to the Recreational Fee Demonstration Program.

The National Park Service began implementing the Recreational Fee Demonstration Program at a majority of sites in early January 1997, with most of the sites fully "on-line" by Memorial Day. Installation of new automated fee collection technology and new infrastructure construction hampered some of the start-ups until late in the summer. Generally, the bulk of the "new" fee revenue was generated in the large, well known national park units which increased already existing entrance fees. For example, Grand Canyon and Yellowstone-Grand Teton (a reciprocal fee) National Parks increased their existing entrance fees from $10 to $20 per vehicle and from $5 to $10 per individual, for a seven-day pass. Grand Canyon National Park revenue increased from $11.6 million to $19.4 million. Grand Teton National Park revenue increased from $2.7 million to $4.4 million and Yellowstone National Park increased from $3.2 million to $6.7 million. Though Yosemite National Park experienced reduced visitation in FY 1997 after a disastrous flood, its revenue increased from $6.8 million in FY 1996 to $12.2 million in FY 1997, after raising the entrance fee from $5 to $20 per vehicle and from $3 to $10 per person. The total combined revenue for these four parks was $40.3 million, or nearly one-third of the total revenue generated under the fee demonstration program.

The following examples illustrate the ranges of fees and revenues at fee demonstration sites: new fees initiated at Alcatraz Island and Muir Woods National Monument (units of Golden Gate National Recreation Area) generated a total of $1.5 million in new revenue; Chattahoochee River National Recreation Area in Atlanta, Georgia, initiated new fees and collected $239,838; Canaveral National Seashore in Florida instituted a new daily user fee and generated $445,399 in new revenue; Zion National Park collected $3 million in FY 1996 and with increased admission fees collected $4.3 million in FY 1997; Glen Canyon National Recreation Area in Utah began collecting admission and watercraft user fees and collected over a million dollars in new revenue; and Shenandoah National Park raised the admission fee from $5 to $10 per vehicle and $3 to $5 per person and collected a total for FY 1997 of $3.4 million compared to $2 million in FY 1996.

As part of the fee demonstration program, the National Park Service initiated new approaches for efficiently collecting fees, including automated fee collection stations, major expansion of credit card acceptance (Visa, Master Card and Discover Card) at the majority of demonstration parks, and contracting with outside groups to collect the fees for the Service. A number of new fees for recreation uses were also instituted, including special interpretive programs, back country use permits and overnight stays, and boating. The National Park Service instituted fees under the Recreational Fee Demonstration Program in many units in which fee collections previously had been prohibited by legislation.

Although there were many initial startup and fee infrastructure costs associated with bringing the program on line, the overall costs of collection have remained relatively constant. The National Park Service will continue to emphasize improving efficiency, conformity and equity throughout the duration of the program, and in FY 1998 will focus on upgrading security for the fee collectors, internal and external integrity of revenues collected, and secure transportation and accountability of often times large amounts of fee revenue. Some issues have arisen regarding developing and initiating more efficient methods of depositing the recreation fee revenues and returning the revenue to the parks. The National Park Service will work with the Department of the Treasury to consider ways to facilitate these processes within Treasury guidelines.

**U.S. Fish and Wildlife Service**

During FY 1997, recreation fees were collected in two major categories: entrance and user fees. Entrance fees, in most cases, permit visitor entry into the refuge and use of all areas and facilities. User fees include such activities as hunting, boat launches and ramps, guided tours, photo blinds and canoe trails. One field station, Crab Orchard National Wildlife Refuge, is experimenting with recovering user fees collected by a concessionaire. Where previously, most of such fees would go to the concessionaire with a small portion deposited in the Refuge Revenue Sharing Fund, user fees collected by the concessionaire under the Recreational Fee Demonstration Program become part of the refuge recreation fee revenues.

In the U.S. Fish and Wildlife Service, approximately 75 percent of the total recreation fee revenues came from the top ten stations collecting fees. However, taking into account all of the stations that are collecting fees, these top revenue generators are not all in the top ten for visitation. Piedmont National Wildlife Refuge, the eleventh refuge on the list of fee generators, actually collects more than one dollar per visitor on average, something no other station does.

Three regions have opted to retain 20 percent of the demonstration fee revenue collected by field stations in the regional office to support new fee programs and assist smaller field stations to enhance visitor services. This will allow smaller stations, where collecting fees is economically impractical, to receive some benefits from the program.

**Bureau of Land Management**

In every case, the high volume visitation areas collected the most money in terms of gross revenues, particularly in those areas that had limited access, such as Red Rock Canyon National Conservation Area located just a short drive from Las Vegas, Nevada, Flagstaff Hill National Historic Oregon Trail Interpretive Center in Oregon, and the Anasazi Heritage Center in Colorado, all of which have high volume and a single point entrance. Special use activity areas requiring special recreation permits were also very successful at generating revenues. These areas include: Paria Canyon/Coyote Buttes, Arizona/Utah, Deschutes River, Oregon, and the South Fork of the Snake River, Idaho. Types of activities authorized under these special recreation permits include river floatboating, mountain bikes, back country use, and hiking.

The most successful method of fee collection, in terms of rates of compliance on the part of potential fee payers, was through the mail when permits were required, regardless of the activity. The second most successful collection compliance occurred when a Bureau of Land Management representative collected the fee. In third place were fee collections at sites where the Bureau had a presence at the site. Third party collections, i.e., partnerships or concession, also had high compliance rates. Honor system fee collection systems resulted in the least compliance. In these cases, voluntary payment of an established fee was significantly more successful than payment of a contribution. These systems typically use a pipe safe as the fee receptacle.

The honor system can be moderately successful at high use sites. However, volunteer fee stations, even with signs explaining the objectives of the program, did not work where there was public opposition to the fee, as was the case at the Gunnison River Gorge site. It is also difficult to collect recreation fees from volunteers who have played a moderate to major role in the development and management of a particular resource. These volunteers expect that their services and contributions will be accepted in lieu of payment of a direct fee.

All of the recreation fees collected were retained at the area of collection. Each pilot project established a special fiscal account with a project code to ensure proper accounting for the fees.

**USDA Forest Service**

The USDA Forest Service has for many years charged fees, under the Land and Water Conservation Fund, for approved facilities. In the first year of the Recreational Fee Demonstration Program (FY 1996), the 40 FY 1997 projects generated just over $2 million in Land and Water Conservation Fund Act revenues, all of which went to the General Treasury.

With the start of the demonstration program, the range of collections for the USDA Forest Service projects ran from $3,929 on the Targhee National Forest South Fork of the Snake River boat launch project, to $2,166,726 at Mount St. Helens and $1,567,130 at the large recreation complex on the Tonto National Forest in Arizona. A significant number of projects (21) collected from $50,000 to $150,000. A wide variety of fee types were tested in FY 1997, in two basic categories—entrance fees and user fees (See Tables 2 and 3). The USDA Forest Service used more user fees than entrance fees due to its dispersed land base. Some areas with entrance fees included the Mt. Evans road in Colorado and the Mono Basin in California.

User fees are and will remain the primary fee on the national forests because most project areas do not lend themselves to entrance fees; in reality the agency is charging for the use of recreation opportunities and not general access to the area.

The Forest Service has established fee handling procedures in a Fiscal Guide. The legislation that established the Recreational Fee Demonstration Program mandated that each agency return 80 percent of revenues that collected them, with the remaining 20 percent available to each agency to spend as needed. The USDA Forest Service decided to divide the 20 percent by providing 15 percent to local projects and five percent to the Regional Foresters for use within their regions. The USDA Forest Service also left the spending decisions to the local project managers. A

business plan process was established for each project. The rationale and priorities for the use of fee demonstration revenues are displayed in the local business plans. Their decisions are summarized in Appendix D.

Tables 2 and 3 show the wide diversity of fee types and collection methods that are being examined and tested by the USDA Forest Service for their efficiency in collecting fees. Collection costs are high with some methods and low with others. Similarly, public acceptance is high on some methods and low on others. The public desires a reasonable fee that is easy to pay, and there appear to be advantages to adapt and fine-tune fee types and collection methods to the local project. Modifications are being developed based on the first-year test results.

While locally-based fees are well accepted on most projects, problems have arisen where a number of fee demonstration projects overlap with each other or with other fee systems (state parks, state snow-park passes, etc.). In areas with a large number of fees, the public has expressed the desire to simplify the fee system, so that one fee enables access to many recreation sites. The fact that the agencies are testing a variety of fee types, sometimes in close proximity, has led to some confusion. Acceptable trade-offs in revenues and improved methods for interagency fee sharing are being developed. For example, the Siuslaw National Forest in Oregon is negotiating with Oregon State Parks and the Bureau of Land Management to develop a single Oregon coastal pass.

Collection of fees seems to work best at entrance stations and at areas with mail-in permit requirements. More dispersed areas with self-pay systems often have low compliance. Self-pay machines are a great improvement over the post-in-the-ground method—the so-called iron rangers. Staffing and machine technology are expensive, however, and are only justified when the volume of business makes them feasible. Much is being learned about the delicate balancing act between reducing collection costs and increasing public compliance with the fees, for both are needed to produce revenues for improving recreation services.

### III. Cost of Recreation Fee Collection

In the absence of a standard definition of fee collection costs, the four agencies agreed to use the following common criteria so that their evaluations of collection costs would be comparable. Fee collection costs include:

a. Salaries and benefits (on a pro-rata basis for individuals with other duties in addition to fee collection activities).
b. Utilities charges (e.g., electric, gas, phone) for fee collection facilities.
c. Costs associated with fee collection training.
d. Maintenance costs (e.g., janitorial or repairs) associated with fee collection activities, facilities, or equipment.
e. Communication items (e.g., radios, phones) needed for fee collection.
f. Other costs associated with fee collections (e.g., bank contracts, armored car services, money orders, printing park specific passes).
g. Fee demonstration project-specific law enforcement.

Capital expenditures do not appear on this list. However, all of the agencies recognize that capital costs may be needed in support of fee collection activities. Capital expenditures are of much greater importance for *new* fees than for modifications in existing fees, since new fees often require construction of access points, kiosks, roads and parking facilities. Capital expenditures also are often associated with new collection points for existing fees, such as installing machine fee collection facilities in remote areas. The four participating agencies have discussed approaches to amortizing these costs over the useful life of the capital, so that collection cost data presented in the final report to Congress are consistent from agency to agency. Permanent authority would provide the assurance the agencies need to make such long-term capital expenditures in fee collection infrastructure.

Costs of fee collection per visitor or as a percentage of revenue can vary widely depending, for example, upon the number and timing of visitors to a unit. Cost of fee collection might be very low relative to revenue, for example, in Yellowstone National Park where a large and steady stream of visitors enters the Park, compared to an entrance station at a remote national wildlife refuge in which a low number of visitors enter at random times throughout the day. The relative costs can be moderated somewhat by a variety of means, such as installing mechanical devices or focusing fee collection on times of peak visitation. Collection costs per visitor are generally higher for new fees than for established fees because of startup costs.

There are additional costs associated with fee collection that, while potentially significant, are not included by the agencies in their preliminary estimates of fee collection costs. One such cost is for national oversight of the fee collection program. Each of the four agencies maintains a small staff with responsibility for managing its nationwide recreation fee program.

A second such cost is for the additional financial controls associated with the Recreational Fee Demonstration Program. The program necessitates a major accounting workload that will be distributed among the various local operating units of the agencies and their national service

centers. The relative simplicity of transferring revenues from their source to the U.S. Treasury will be replaced by the need for sometimes elaborate and complex systems of accounting for revenues and expenditures at the sites where they are collected and incurred and for quality assurance to verify that the revenues were expended properly. While in the future agencies should be able to absorb these costs as a matter of doing business, they are significant and somewhat disruptive in the short run.

**National Park Service**

For FY 1996, the National Park Service dedicated approximately $15 million to collect $78 million in recreation fee revenues, representing approximately a 19 percent cost of collection allocation for the total fee revenue. These funds were primarily derived from the "15 percent" amount the agency was allowed to withhold from the total collections, plus $3 million in appropriated funds. The monies were allocated to such costs as central office oversight, auditing of the fee program, fee policy articulation for the National Park Service, mandatory training for each recreation fee collection park, printing of national passports and brochures, and identified direct costs of collection. These costs were carried through into the first year of the Recreational Fee Demonstration Program, plus the necessary one time initial startup costs for many of the demonstration projects which previously had not collected recreation fees.

In FY 1997, the National Park Service dedicated $20.6 million, or 17 percent of revenue, for the overall cost of collection for the *entire* recreation fee collection program, including central and regional office oversight, printing of Golden Eagle passports, implementation of new collection technologies, and related costs. $17 million was spent on the total cost of collection for the fee demonstration parks, including approximately $3 million for startup costs for the demonstration program. The National Park Service will monitor sites with relatively high fee collection costs to see if there need to be changes in procedures or practices to make fee collection more cost-efficient.

Startup costs involved infrastructure improvements such as security cameras and signage, extended collection hours, improved collection technology such as automated fee collection machines and credit card machines, and increased staffing for fee collection activities to handle the higher workloads. In addition, the higher public profile of the fee program, and the increased management concerns associated with its implementation at large park areas, added to the overall costs of the program. One-time costs associated with producing identifiable "Recreation Fee Demonstration" logos, producing and distributing introductory videos and brochures to explain the program to parks and the public, conducting and participating in national organizational meetings to discuss policy implementation, providing technical assistance to new collecting parks, and providing oversight over the expenditure of new demonstration revenues, all added to the cost of implementing such a major initiative as the Recreational Fee Demonstration Program.

In addition to the obvious costs of collections are additional costs that may not be recognized up front. Extended hours of collection at the fee kiosk to maximize revenues may also mean added law enforcement patrols and dispatch capabilities in order to respond to emergencies. Implementing new fees has a corresponding cost of enforcing those collections. This is especially

crucial in the early stages of collecting the fees. Added burdens of counting, depositing, transporting, and auditing the increased revenues have added significantly to the overall cost of collections. Additional or new collection personnel have added increased uniform costs, personnel actions, management responsibilities, training, etc., taking additional resources that may already be spread thin. These are some of the issues that are being learned after the first year of the program.

Efficiency and equitable collection are twin hallmarks for the overall direction of the recreation fee program; the incentive for the new fee revenues to primarily stay at the site where they are collected should improve these areas of concern. More evaluation is needed of the relative cost for collecting the fees in order to justify the resources which are dedicated to the fee program. We expect improvement in finding new ways to collect fees and in ensuring that all persons who should pay, do pay. Some of what we call cost of collection might actually be the benefits of public interaction, exchange of information, and increasing visitors' awareness that they are entering a National Park Service unit. In many cases, the only public contact with National Park Service staff may come at the fee station.

Anecdotal information often suggests that vandalism, crime, and medical emergencies, may be reduced by areas that have instituted fee collections. One example from the first season of the fee demonstration program that illustrates the tangential benefits of fee collection comes from Glen Canyon National Recreation Area. A fee was implemented for Lone Rock Campground. In 1996, prior to the collection of fees, there were 31 documented cases of assault. In 1997, after the fee station was installed, there were nine cases of assault. Sex offenses went from two in 1996 to zero in 1997. "Driving under the influence" violations went from 20 in 1996 to six in 1997. Disorderly conduct incidents dropped from 40 in 1996 to five in 1997. Quiet hours were enforced for the first time. Numerous comments were received from the local visitors and return users about how "safe" and pleasant the Lone Rock area was in 1997. There was a dramatic decrease in gang activity, and a corresponding increase in family group usage. There was much less littering on the beach and corresponding reduction in litter pickup costs. Additional toilet facilities, provided with fee demonstration revenues, were heavily used, and there was much less human waste and toilet paper found in the adjacent area. The courtesy recreational vehicle pumpout service eliminated the surreptitious, night-time dumping of holding tanks onto the beach or into the water. Lone Rock was not closed to swimming or other activities during 1997 because of water quality, as it had been occasionally closed in past years.

**U.S. Fish and Wildlife Service**

Costs of collection have a significant impact on the amount of actual funds available to address project backlogs. Because of the dispersed nature of visitation to refuges, collection costs at many refuges make it un-economical to collect fees. Overall, salaries are the most significant cost, amounting to approximately 90 percent of all collection costs. In total, collection costs averaged about 21 percent of the recreation fee revenue.

For new fee programs the initial outlay for start up costs can result in no funds at all being available for backlog projects, at least for the first year. Stations just starting programs or

switching over into the Recreational Fee Demonstration Program, commented that funds to do so either came out of the station's annual operating budget or from the fee revenues leaving nothing for backlog projects or improving refuge programs. A number of field station managers suggested that initial start up funds be provided as part of the Recreational Fee Demonstration Program.

Another category of collection costs is capital improvements. Although not an annual cost, when they do occur, they can have a significant impact on funds available for other projects. Capital improvements may include such things as construction of a fee collection station or booth, equipment to maintain an auto tour route or interpretive trail, kiosks, trailheads, check stations and parking areas.

**Bureau of Land Management**

Revenues at the high use sites exceed the cost of collection, while the less frequently visited sites collected revenues just sufficient to cover their collection costs. Since start up costs were also involved, the revenue collections to collection cost ratio will improve in the future as the one-time start up costs are amortized.

**USDA Forest Service**

Start-up costs are a significant part of establishing a new fee program. The USDA Forest Service spent $4,648,000 for fee collection start up in FY 1997. Approximately $1 million was for one-time capital investments in such needs as entrance stations, fee kiosks, and fee collection equipment. The USDA Forest Service did identify capital costs in their accounting of the cost of collection but did not amortize them. These capital costs are displayed in the year in which they were incurred in the project descriptions in Appendix D. The remaining $3.6 million went for such needs as signage, fee collector salaries, utilities, banking contracts, and law enforcement. New employees were hired for fee collection, but all were term or temporary appointments due to the short-term time frame of the Recreational Fee Demonstration Program.

Collection costs amounted to 53 percent of total collections. This number appears high because of unamortized one-time capital costs, and because many large projects only began operations in mid year. In FY 1998 collection costs on the 40 projects are expected to be 24 percent of total collections. Eight projects had collection costs that exceeded their collections in this first test year. All 40 projects are expected to have collections greater than costs in FY 1998. The USDA Forest Service is closely monitoring collection costs to make certain that efficiencies are incorporated. High collection costs in the long run will cause a project to be dropped or modified.

## IV. Backlog and Enhancement Projects

The House Committee on Appropriations expressed its view that revenues from the Recreational Fee Demonstration Program are to be used primarily to reduce the backlog maintenance requirements and provide public service enhancements at the sites operated by the four agencies. The agencies had to implement new procedures for handling funds, accounting, and selecting projects, but were able to fund some backlog projects during FY 1997. Much more progress is expected during FY 1998.

**National Park Service.**

The National Park Service instituted a policy that the new recreational fee demonstration program revenue would be primarily dedicated to reducing the identified non-recurring maintenance, infrastructure repair, and resource management backlogged projects of the Service. The policy prohibited parks from hiring staff to supplement ongoing and current operational activities at the demonstration parks, and determined that no new permanent positions would be funded from the new revenue, except for those salaries directly involved in the collection of fees. In a few instances where a specific new fee was implemented to provide a special tour, such as a special kayak tour at Redwoods National Park, the revenues were dedicated to hiring the necessary staff to carry out these tours. New revenues from the increased price of the Golden Eagle passports were returned to the collecting parks and used for agency-wide projects using the 80-20 percent formula, and subjected to the same criteria governing other fee revenue projects.

Except for those projects that require Congressional review, the projects initially funded with the 80 percent of new fee revenue were proposed by each park, reviewed at the regional level for adherence to service-wide policies, and forwarded to the national office for approval. After approval, funding allocations were made to the demonstration parks to undertake the projects. Projects were solicited from all parks within each region. Regional teams reviewed and prioritized the projects using the criteria established for the "80 percent" projects. These projects were reviewed at the national level and with concurrence, funding was released for each project. Additional projects using the 20 percent portion of FY 1997 revenues are contingent upon ongoing efforts by the National Park Service to establish a clear list of maintenance and construction priorities. For each major project, the National Park Service will prepare a capital asset plan that specifies up-front the project's cost, schedule, and performance goals.

Appendix A contains a list of the currently-approved backlogged projects, except for those projects that require Congressional review, that will be funded using FY 1997 revenues for the 80 percent portion that is retained at the sites that collect the revenues. For projects requiring Congressional review, the Department of the Interior plans to submit a list to Congress after the National Park Service and a Departmental working group have had an opportunity to review and prioritize critical health and safety, and natural and cultural resource projects. This effort will assure that the most critical projects are addressed in a timely manner and that projects are appropriate and cost effective. Once the list is finalized, future allocations will be made for projects on the list and Congressional review will be sought as necessary.

National Park Service projects undertaken with new demonstration fee revenues include:

- Amistad National Recreation Area — Construct vault toilets — $40,000.
- Fort McHenry National Monument and Historical Site — Repair woodwork on the historic Star Fort building — $125,000.
- Frederick Douglass National Historic Site — Replace historic wallpaper throughout the historic house — $40,000.
- Everglades National Park — Install an elevator at the visitor center for accessibility — $100,000.
- Denali National Park — Rehabilitate Riley Creek campground — $115,000.
- Isle Royale National Park — Repair and replace back country trails — $225,000.

**U.S. Fish and Wildlife Service.**

There were 9,284 backlog maintenance projects in the National Wildlife Refuge System at the beginning of FY 1997, of which 1,799 public use projects with an estimated maintenance cost of $69 million were suitable for funding from annual Resource Management budgets. Ninety-eight projects, 20 of which are safety related, costing $3 million, were targeted for completion in FY 1997. In FY 1998 another 92 projects with a cost of $4 million are scheduled to be accomplished; 26 are safety related. An additional 39 public use projects costing $50 million are suitable for construction funding. Of the 1,505 maintenance projects in the National Fish Hatchery System at the beginning of FY 1997, 148 projects costing $10.7 million, involve public access. In the foreseeable future, fee demonstration revenues will not be sufficient to remove these maintenance backlogs. The Service intends to continue using a combination of appropriated resource management funds and fee revenues in order to reduce the backlog.

**Table 5. FWS Refuge System Public Use Maintenance Backlog**

| Maintenance Category | Resource Management | | Construction | |
|---|---|---|---|---|
| | Number of Projects | Backlog ($millions) | Number of Projects | Backlog ($millions) |
| Buildings | 282 | 11 | 12 | 13 |
| Utility Systems | 33 | 1 | 0 | 0 |
| Roads and Trails | 655 | 32 | 24 | 31 |
| Water Management & Related Facilities | 69 | 2 | 2 | 5 |
| Other Structures & Facilities | 578 | 18 | 1 | 1 |
| Transportation Equipment | 83 | 4 | 0 | 0 |
| Other Equipment | 99 | 1 | 0 | 0 |
| **Total** | 1,799 | 69 | 39 | 50 |

**Bureau of Land Management**

The Bureau of Land Management's overall recreation backlog for nearly 1,400 recreation sites and 11,000 miles of trail is approximately $29 million, not including road or bridge access backlogs. Annual maintenance for these sites is around $16 million. Backlog projects for the ten recreation fee demonstration projects that charged fees in FY 1997 totaled $5.1 million. During FY 1997, $335,000 was spent on recreation projects to reduce that backlog. Enhancement projects for these same sites will require approximately $520,000 through FY 1999.

**USDA Forest Service**

The Forest Service currently has a national deferred maintenance backlog for recreation facilities and trails of approximately $1,000,000,000. The recreation fee demonstration projects that were in operation in FY 1997 addressed only .06 percent ($638,500) of the total Agency backlog. A time lag exists between collecting fees and expending those fees on backlog and enhancement projects. In FY 1998, the first 40 projects are expected to address an additional $3,881,000 in backlog projects, representing .38 percent of the total. Backlog expenditures for each of the 40 FY 1997 fee demonstration projects are listed in detail in Appendix D; these data do not necessarily include all backlog projects undertaken in FY 1997 or the backlog projects that will be undertaken on these 40 sites in the future. Additional planning is being done on many projects as they adjust to the actual amount of fees collected.

The USDA Forest Service also used fee demonstration revenues for expanded customer service and maintenance enhancements. The agency felt that in addition to backlog reductions it was also important for the recreating public to see and experience enhanced services for their increased fee payments. Many new interpretive programs were instituted, resource protection efforts were increased, new toilets were added, more snow plowing was done, and more law enforcement was done. Backlog accumulation was also addressed by enhancements in the operation and maintenance area, including cleaner toilets, more frequent building maintenance, increased trail maintenance, and related activities, all aimed at reducing the accumulation of new backlog. Operation and maintenance enhancements are also more visible to the recreating public; a clean toilet is important. In FY 1997, over $2.3 million of fee demonstration receipts were spent on enhancements. In FY 1998, the amount is expected to rise to $4.3 million. Public acceptance of the new fees is much greater when the public sees and smells improvements.

## V. Lessons Learned

From their preliminary experience in implementing the Recreational Fee Demonstration Program, the four participating agencies have learned several lessons, which include the following:

### Distinction Between Entry Fees and User Fees

Entrance fees are those fees that provide access into a recreation site. User fees authorize a visitor to use specific facilities, programs or resources sponsored by a recreation site. The distinction is important to those visitors who possess a Golden Eagle passport or similar pass, because the passes can be used for entrance fees, but not for user fees.

If the purchaser is told simply that the Golden Eagle passport is good at any national park, national forest, Bureau of Land Management recreation site or national wildlife refuge, and therefore assumes that the passport covers all charges, he or she may be surprised when the passport is not accepted for camping or a guided tour. When recreation agencies do not honor the Golden Eagle passport, passport-holders may feel that the agencies are not following through on promises made when the passport was purchased. In the absence of a clear understanding of the difference between entrance fees and user fees, the public may be uncertain why the Golden Eagle passport is accepted in some situations or locations and not in others.

In some cases, agencies have charged a user fee for what appears to the visitor to be authorization to enter an area. This occurred, for example, at national monuments or national recreation areas managed by the USDA Forest Service in which user fees, such as visitor center fees and general parking fees at trailheads, were charged at points of access. The public objected when the Golden Eagle passport was honored by one agency and not by another for what appeared to be an identical use. In response to public comments identifying the problem, the USDA Forest Service announced on January 9, 1998, that Golden Eagle passports would be accepted for free admission at all USDA Forest Service national monuments, national scenic areas and national recreation areas that are part of the Recreational Fee Demonstration Program.

There is room for agencies to improve public information about the fees for which the Golden Eagle passport does and does not apply, by better information at the point of sale, and by more consistent explanations by recreation personnel at the point of use. In the short run, agencies might also use a more inclusive definition of entrance fees, such as was done by the USDA Forest Service, where the public perceives user fees actually to offer general access to an area. In the long run, agencies may need to develop common definitions of entrance fees that are applied consistently across all federal recreation facilities that accept the Golden Eagle passport.

### Negotiating Regional and Multi-Agency Entrance Fees

There appear to be important advantages to the public to establish fee arrangements that allow visitors to pay a single fee for entrance into adjacent recreation areas operated by different agencies or levels of government. Many members of the public do not even distinguish between agencies, and such descriptors as "national park" often are used by the public to describe other

federal lands, such as national forests. Yet, there are several difficult problems that agencies will have to address in negotiating regional and multi-agency fees, in which one pass allows admittance into several units operated by different federal agencies, or by a combination of federal, state, and local governments.

Agencies and units of government must integrate or account for their different fiscal calendars, different modes of accounting for revenues and expenditures, different procedures for administering fees, different recreation purposes, and often they have different primary clientele groups. Even when these issues are resolved, there are difficult negotiating issues related to sharing of fee revenues and fee collection costs among the participating agencies. These problems are not insurmountable, but they do plague negotiations whenever joint fees are being considered.

There are many potential approaches to apportioning fee revenues among the participating agencies. Each approach affects the agencies in different ways, favoring some and placing others at a disadvantage. Fee revenues could be apportioned on the basis of visitation, but there are great disparities of visitation among various sites and the cost of managing the units may not be proportionate to the number of visitors. Furthermore, agencies have different definitions of what constitutes a visit, or a visitor, so they would have to agree on some standard terminology if visitation were used as the basis for revenue distribution.

Revenues could remain with the agency that sells them, but some agencies might prosper at the expense of others. It is possible, for example, that a particularly high-volume recreation site might sell virtually all of the passes in a region and therefore benefit from the revenue, while other recreation sites have to honor the passes without realizing revenue benefits from their sale.

Revenues could be apportioned on the basis of land area in the recreation site. However, some sites are quite large and others small. Furthermore, land area is not necessarily related to the level of visitation. Other mechanisms for revenue apportionment include size of backlog, miles of trails, and number of recreation sites. In the case of the South Fork of the Snake River corridor project, an interagency working group was used to prioritize operation and maintenance needs among the various sites, and to allocate joint fee revenues to the areas of greatest need.

It appears that regional passes are most easily negotiated and implemented among groups of relatively equal partners—agencies with similar recreation mandates, similar types of recreation offerings, roughly similar fee collection costs, and common recreation clienteles. The most logical location for a common fee would be a location in which recreation sites of two or more entities are accessed from common entry points. Complexity and difficulty increase greatly if a single fee mechanism involves agencies with markedly different agency missions, levels of government, fee authorities, fiscal calendars, and user clienteles.

Another aspect of joint fee arrangements involves the Golden Eagle passport. Where entrance fees are established, projects must accept the Golden Eagle passport for free admission. Currently, all of the agencies sell Golden Eagle passports and the revenues from such sales are retained by the agency that generates them. However, the use of the passports may not be distributed among the agencies in proportion to the sales. In the most extreme case, for example,

one agency might sell all of the Golden Eagle passports, and they might all be used for admission another agency's recreation sites. Although such an extreme situation may never occur, there are equity concerns that some agencies might benefit disproportionately from the *sale* of Golden Eagle passports, and other agencies might have a disproportionate *cost* from their use in lieu of other fees. There may be a need to examine the distribution of sales and use of the Golden Eagle passport among the agencies, and consider an equitable arrangement for distributing the revenues from its sale among the agencies, such as a kind of staged pass with endorsements for each agency the holder wants to visit, or distribution of revenues based on the distribution of use.

**Multiple Expectations about Recreation Fees**

There are many reasons for implementing a recreation fee program, and the reasons are not necessarily complementary. The result is that managers often are confused over what primary objective, if any, should take priority, or whether they should attempt to satisfy several objectives simultaneously. Even if the explicit objective were to attempt to "satisfy" all of the possible objectives, managers would still face the prospect of determining the priority to give to each possible objective. The implicit objectives of fee collection appear to include all of the following to a certain extent.

**Fees for Raising Revenue.** Fee collections raise revenue. Whether the revenues are returned to the Treasury for general purposes or used for backlog and enhancement projects under the Recreational Fee Demonstration Program, revenue enhancement is an implicit objective of Congressional fee legislation. If raising revenue were the primary objective of a fee system there several approaches that might be considered. One revenue enhancement approach would be to raise fees selectively in units like Yellowstone, Yosemite, or other "crown jewels" in which demand is only minimally affected by price.

Another approach would be to broaden the base of potential fee payers. This could be done by making entrance fees (including the Golden Eagle passport and other passes) apply to an individual holder and not to the carload, by moving toward daily rather than multi-day passes, by authorizing fee collection at all units where it is now prohibited, and by authorizing fee collections from persons who now pay reduced fees or no fees at all (the old and the young). Without increasing the fees, it may be possible to increase or maintain total revenue levels by establishing a single modest daily individual fee level (for example, $1 per person) that applies across the entire recreation fee system.

Regardless of the approach taken, there are practical limits to the extent to which the base of potential fee-payers can be broadened. Because fees are applied to the most feasible recreation sites first, the implementation costs associated with additional sites can increase greatly. Thus, agencies must focus on *net* revenues, balancing revenue against collection and administrative costs. Otherwise, the implementation costs of broadening the base of fee payers might at some point outweigh the revenue benefits.

**Fees as a Management Tool.** Fees could be used as a way to help achieve other management objectives such as maximizing resource protection or minimizing infrastructure investment. For

example, higher fees on weekends, summer months, or other periods of traditionally-high recreation use, might reduce the peak loads on resources and facilities. Or, higher fees in high demand areas might result in distribution of recreationists to the under-utilized adjacent areas. Using fees to disperse visitors over time or space can increase the relative complexity of the fee structure, with higher fees at certain times or certain places and lower fees at others. As agencies become more experienced and adept in implementing flexible fee authority, they will be able to use fees more effectively as a management tool.

Reductions in peak loads can directly reduce the costs to taxpayers associated with operating the recreation sites, providing services at these sites, and any attendant damage to the resource. A lower peak demand could result in smaller facilities, reduced operations and maintenance expenses, fewer staff, reduced capital investment needs, and reduced environmental damage caused by visitation. Using fees primarily as a management tool would likely require different fees in different recreation areas and perhaps different activities, with a price structure designed to affect visitor behavior.

Entrance fees can also be used as a way to encourage legitimate uses of the recreation resource while discouraging undesirable activities, or to reduce the number of visitors in order to reduce damage to sensitive natural resources. Some areas have found that the physical presence of personnel associated with fee collection has resulted in fewer incidents of vandalism, perhaps because people tend to care more for an area if they have paid to recreate in it. Although the evidence at this point is primarily anecdotal, it bears further evaluation.

**Fees to Promote Personal Contact with Visitors.** Personal contact with the "ranger" or comparable recreation professional is, for many visitors, an important aspect of the recreation experience. The fee collection at the entrance kiosk provides that kind of personalized contact with the agency personnel where visitors can ask questions, obtain information, address security concerns, and get directions. Using fees as a tool for personal contact may not result in high revenues; even a very low fee will provide the opportunity to have a positive personal interaction between agency personnel and the visiting public. However, with a fee that is too high, these benefits might be lost.

**Fees to Promote Equity.** Another potential objective of a recreation fee system may be to ensure that no individuals are excluded by the fees. The justification behind this objective is that the federal recreation areas are owned jointly by all U.S. citizens and that the fee level should not present a barrier to entry to these areas. Current policies contain elements that address these equity concerns. For example, the law explicitly gives preferential treatment to children under 17 and senior citizens over 61, and to physically disadvantaged persons. Social equity is also the justification for the National Park Service's annual "free day" in which anyone can enter a national park without paying a fee. The USDA Forest Service is providing free passes to low income users in at least one test case. Carload fees are an indirect way of limiting the amount that families, particularly large families, have to pay. Equity concerns would tend to result in a modest fee for most visitors and lower or no fees for persons determined to be less able to pay.

**Fees to Nurture Public Support.** Some types of recreation facilities tend to attract certain user groups or repeat customers. An implicit use of recreation fees is to provide these special visitors such a way that they develop a sense of "ownership" in the recreation site. Waterfowl hunters, for example, are an important class of visitors to national wildlife refuges. When affixed to a State hunting license, the Duck Stamp permits the holder to hunt waterfowl. Though the $15 Duck Stamp was not originally intended as a entrance pass, the U.S. Fish and Wildlife Service accepts the Stamp in lieu of an entrance fee. This can be viewed as a way of fostering a sense of ownership of the national wildlife refuges, whose acquisition is partially financed using revenues from Duck Stamp purchases.

Some agencies have found that an annual pass to a specific unit has similar benefits. The pass is particularly attractive to local patrons who use a specific unit several times during the year. When combined with a kiosk-type entrance fee facility, these regular visitors establish a personal relationship with agency personnel, and become personal stewards for the recreation resource. Vandalism damages have declined significantly at some fee demonstration locations.

The provision in the Recreational Fee Demonstration Program that 80 percent of the fee revenues returns to the site that collected them also engenders public support for the fees. When asked how the entrance and other recreation fees collected by the National Park Service should be used, 96 percent of visitors surveyed in Summer 1997 chose either to keep all of the revenue collected by the park in the park, or to keep most of it in the park and distribute the rest to other National Park Service units as needed.

**ees for Cost Recovery.** One common objective of many recreation fee systems is simply to recover the costs associated with providing the good or service. For example, entry fee levels could be set to recover the costs associated with providing visitor-related services at each fee area. This might imply different entry fees from site to site. Alternatively, fee levels might be chosen that would, on average, recover visitor service costs over the entire portfolio of sites operated by an agency. This objective recognizes that, while taxpayers are expected to cover "public goods" (such as protecting resources for future generations), individuals are expected to pay for the "private goods" in limited services provided only to them (such as a campground site).

With these multiple, often contradictory, objectives for recreation fee systems, it is not surprising that there are a corresponding multitude of fee structures at a variety of prices, including such variations as:

- Golden Eagle passport, which at a price of $50 entitles the holder and occupants of the holder's vehicle to unlimited entrance into all recreation fee sites of the Federal agencies under the Land and Water Conservation Fund Act.

- Golden Age passport, which for a one-time $10 administrative fee entitles the qualified holder and occupants of the holder's vehicle to unlimited entrance into all recreation fee sites of the Federal agencies under the Land and Water Conservation Fund Act.

- Golden Access passport, which without charge entitles the holder and occupants of the holder's vehicle to unlimited entrance into all recreation fee sites of the Federal agencies under the Land and Water Conservation Fund Act.

- Duck Stamp, a $15 stamp which, when affixed to a state hunting license, entitles the bearer to hunt migratory waterfowl, also is accepted by the U.S. Fish and Wildlife Service for admission into national wildlife refuges.

- Annual site-specific passes, which are sold at various prices by each agency, for unlimited access into the site for which they are sold.

- A variety of bus fees, often based on average numbers of riders or on bus size, rather than on actual counts of individuals.

- Daily or short-term passes for entrance into recreation sites at a variety of prices and for a variety of periods of stay. Some are per person; some per vehicle.

In addition to these entrance fees, there are a variety of special use fees for specific activities and facilities that are optional, once the visitor is admitted to the recreation site. For the user fees, agency managers experience the same confusion over objectives, because the same set of implicit objectives can be associated with user fees.

Given the variety of fee arrangements, agencies face difficult decisions in establishing the various fee structures. In principle, it would be desirable to set individual entrance fees at levels consistent with the relative "value" of the recreation site, and to establish prices on general entrance passes, such as the Golden Eagle passport, at a level that provides convenience and a modest discount to the "frequent visitor" and provides a reasonable revenue for the recreation agencies. The agencies will continue to strive to balance these multiple expectations as fee programs develop.

**Startup Costs for New Fees**

When new recreation fees are implemented at sites that previously did not have a charge, the sites often encounter initial costs for such things as road access, fencing, signs, kiosks, collection machinery, ticket books, accounting systems, and reallocation of personnel. Thus, agencies and local recreation areas that do not have existing recreation fees can be expected to report high collection costs in the short run. The first lesson is that agencies must demonstrate that short-run startup costs can be recovered by long-run revenues in order for a recreation fee program to be feasible. Second, the agencies must find a way to finance these startup costs in the short run before they can effectively implement a recreation fee program.

The evaluation of fee collection costs, planned as part of the final report to Congress, will amortize startup costs over their useful life. Otherwise the cost of new fees, compared to changes in existing fee programs, could be greatly exaggerated in the short run. Permanent authority

would make it easier for agencies to support startup costs that would be recovered by long-run rev es.

**Cash Management and Employee Safety**

Agencies need to have procedures in place to handle cash. These procedures need to be established well in advance of actual fee collection, and fee collection personnel need to receive training. One issue relates to accountability, as numerous employees handle, transfer, deposit, and account for potentially large amounts of cash from widely dispersed sources, and as agencies establish the necessary accounts and disbursement procedures to make certain that fee revenues are used in the appropriate sites for appropriate expenditures. Some of these problems may be exacerbated to the extent that agencies use volunteers for fee collection.

Perhaps a more serious issue, particularly in remote and isolated areas, is for the safety of fee collection personnel and for the protection of the cash itself. Some safety concerns related to theft can be mitigated by minimizing the use of cash, through credit cards, mail purchase of passes, and vendor sales in these areas. Machine collection in remote areas can help protect the safety of personnel, but machines in such areas are vulnerable to theft and vandalism.

Unfortunately, such safety concerns lead almost inevitably toward video monitoring and related types of security systems. These changes constitute a challenge for agencies that have been based in a strong orientation to personal trust.

**mpliance Regarding Payment of Fees**

Increased public compliance with fee payment requirements appears to be associated with the following: direct contact with a fee collection employee; ease and convenience of payment methods; visibility of the local projects funded by the fee program; extent to which the public views the fee as being used in "their" local recreation site; the perceived "fairness" of the fee amount; and, the extent to which the fee was required as prerequisite for engaging in the recreation activity.

**Public Information Efforts**

Communication with the public is an important part of the process of implementing new fees and in modifying existing fees. The agencies adopted several approaches to notify the public before implementing the Recreational Fee Demonstration Program, including formal communication plans, news releases, meetings with local community leaders, constituent groups and advisory councils, information leaflets, explanatory videos, open houses, public workshops, comment cards, and signs and bulletin boards. These efforts were important to the success of the Recreational Fee Demonstration Program. Equally important is informing the public about how the revenues are being used, both in general terms, and in terms of signage and other methods of highlighting specific projects that are being paid for using recreation fee revenues.

**Inequities Within or Among Agencies**

In each agency, a small number of sites generate a high percentage of the agency's total fee revenue. The current fixed formula, which returns at least 80 percent of fee revenue to the site in which it is generated, is key to public and agency acceptance of the Recreational Fee Demonstration Program. At the same time, it is possible that some key revenue-producing sites may quickly reduce their backlog projects and then be faced with accumulating large balances in their fee revenue accounts, funding projects that would rank low in priority compared to projects elsewhere in the agency, or searching for additional projects just to spend the money. This could be a significant problem for an agency if, at the same time, there remain substantial backlogs at other agency sites that either have low visitation, or are not authorized to charge recreation fees.

Although it is too early to determine whether the fixed 80 percent formula will constitute a problem in the long run, the agencies will evaluate this in greater detail as the Recreational Fee Demonstration Program progresses.

**Agency Liability**

Under most current state statutes, units that collect fees are more susceptible to public safety liability claims than units that do not collect fees. In general, agencies that charge for admittance or recreation uses are subject to simple negligence, but agencies that do not charge are subject to gross negligence claims. Simple negligence is easier to prove than gross negligence. These liability issues are potentially more serious in dispersed, remote sites, such as unguarded beaches, where agencies can be perceived as negligent, since there may be few if any personnel or warning signs.

The potential risk of higher liability claims has budgetary consequences in the short run, because agencies must allocate greater budget resources to such public safety features as signs, trail and facilities maintenance, public information and warnings, ranger patrols, and law enforcement. These public safety measures are an indirect cost associated with fee collection.

**Project Tracking Systems**

As agencies enter into recreation fees in a major way and use the revenues to reduce the backlog and provide enhancements, tracking systems will be needed to monitor the flow of funds. The National Park Service is using "off-the-shelf" software to track backlogs and monitor expenditures applied toward reducing the backlog. The software program "Future Projects Management Software," will provide a tool to measure the effectiveness of the Recreational Fee Demonstration Program in reducing backlogs by indicating changes in condition ratings, such as the number of facilities that have moved from poor to good condition. Service-wide training to utilize the software is underway at this time. The National Park Service will also use its overall backlog priority list to track the status of priority projects funded through fee receipts. The USDA Forest Service is using traditional systems and is developing new systems. The agencies will determine the applicability of these systems and possibly examine others for potential use in the long term.

**Implementing First Time Fees**

Implementing first time fees is much more difficult than increasing existing fees. Public acceptance of National Park entry fee increases was quite high. The USDA Forest Service projects that were extensions of past fees or permit systems were also easily accepted by the public, whereas projects that started charging fees for the first time generally have taken longer to build public acceptance. The more dispersed the recreation use the longer it has taken to gain public acceptance. It is generally easier to charge fees for developed sites than for undeveloped locations. The Bureau of Land Management is generally charging at more developed locations. Several years of implementation will indicate which types of fees will be accepted by the public and which will need to be modified or dropped.

**Innovative Fee Collection**

Agencies can learn much from the private sector and from each other on how to collect fees more effectively. Peak pricing, for example, is a common practice used in private industry as a management tool. Agencies have begun discussions with companies that are interested in selling annual or Golden Eagle passports on consignment, and will continue to listen to concessioners and local businesses for ways to improve procedures for collecting fees.

## VI. Suggestions for Legislative and Management Improvements

Because the Recreational Fee Demonstration Program is only partially completed, and because the intensive evaluation projects scheduled for the FY 1998 visitor season have not yet been conducted, the agencies are not yet prepared to offer specific recommendations in this report for fee legislation other than those that have already been communicated to Congress through testimony or correspondence. Nevertheless, based on preliminary lessons learned from implementing the Recreational Fee Demonstration Program, the agencies can offer suggestions for ways in which the fee program can be improved and strengthened. Some of these suggestions might involve legislation, while others can be handled through management actions within the agencies. The agencies would be pleased to assist the Committees in drafting legislation. The President's 1999 Budget does assume that legislation will be enacted to provide agencies permanent authority, starting in FY 2000, to collect and use all new and existing recreation and entrance fees. The agencies will coordinate with each other to draft this legislation.

### Provide Flexibility to Tailor Fee Programs to Specific Needs

Because of the variability in the types of recreation areas managed by the agencies that participate in the Recreational Fee Demonstration Program, the agencies need flexibility to:

- Determine the most appropriate types of recreation entrance or user fees;
- Meet resource management goals;
- Establish fee levels most appropriate to the recreation uses and user demands;
  Determine the most effective modes of fee collection for particular situations; and
- Evaluate the relative effectiveness of various approaches.

Because there are often several, sometimes contradictory purposes for which a fee program or particular fee is implemented, it is important to clarify the purposes so that the approach selected is consistent with the objectives to be achieved.

### Recognize the Importance of Incentives

As Denis P. Galvin, Acting Director of the National Park Service, testified on June 19, 1997, because of the many restrictions imposed through the Land and Water Conservation Fund Act on the collection of fees and on the allocation of the fee revenues back to the agencies, managers have not had an incentive to collect the fees. To provide fee collection incentives, new legislation could follow the pattern of the demonstration project and allow fee revenues to supplement existing budgets and also provide that a majority of new fees would stay in the area where they were collected.[6] Not only would this provision provide an incentive to managers, but based on our preliminary evaluations, it would also result in greater public acceptance of the fees.

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[6]Denis P. Galvin, Testimony before the Subcommittee on National Parks, Historic Preservation and recreation, Senate Committee on Energy and Natural Resources, June 19, 1997.

Several elements of the current Recreational Fee Demonstration Program provide incentives for collecting fees. One element is that funds collected become immediately available to the agencies without further appropriation. The second element is the provision that most of the fee revenues stay in the facility in which they were collected. The third element is targeting the fee revenues to removing the backlog of badly needed maintenance backlog and allowing for enhancement of recreation areas. The fourth element is the ability of the agencies to distribute a portion of fee revenues to priority projects in facilities other than those that collected the fees.

**Recognize the Importance of Permanent Authority**

Permanent authority would allow the agencies to set aside funds toward expensive backlog projects that could not be funded with only one year's revenue. It also encourages agencies to invest in startup costs that could only be justified if amortized over several years. The assurance of funding would allow agencies to make long-term plans for recreation development, and to implement these plans in a systematic way. Permanent authority would strengthen the agencies' ability to enter into cost-sharing or other partnership arrangements that make backlog reduction a cooperative effort. A consolidation of existing temporary and permanent authorities would also help to improve accountability by making a direct correlation between fees collected and benefits provided.

**Address Equity Issues Related to Unequal Distribution of Revenues**

The agencies should have the ability to correct some of the inequities in distribution of the benefits of fee collection. The provision in the Recreational Fee Demonstration Program that agencies have discretion to distribute a portion of the fees among other recreation sites is a very important means of reducing revenue inequities within agencies. It may be that a different formula is more appropriate, one in which the agencies have more discretion on internal distribution of fee revenues within the agency, so long as a significant portion of the revenue is dedicated to the site in which it is collected. For example, there might be a minimum, such as 50 percent, that must stay in the site of collection, allowing agencies to keep as much as 100 percent in the site of collection for backlog and enhancement projects.

Inequities result from current legislation that prohibits fee collection in certain sites. Some of the imbalance can be alleviated by agency discretion in allocating a portion of recreation fee revenues. However, the inability to collect recreation fees places many units at a distinct disadvantage. Congress might consider removing current legislative prohibitions on fee collection at many or all recreation sites. By broadening the base of areas collecting fees, it might actually be possible to keep prices low and still increase revenues.

**Support Partnerships Across Agencies and Levels of Government**

Because of the practical difficulties involved in implementing joint arrangements, agencies have moved slowly. Specific statutory authorization could help to clarify the agencies' authority to enter into multi-agency and multi-governmental fee agreements, and to pool resources for subsequent redistribution among the partner agencies and governments.

**Reconcile Any New Fee Programs with Previous Statutes**

There are numerous areas that have stringent legislative restrictions with regard to fee collections that resulted, in some instances, in implementation of the Recreational Fee Demonstration Program in a manner different from what was intended. For example, current law requires that recreation fee revenue generated and collected from the O&C lands in western Oregon must be deposited into the O&C account for subsequent redistribution to counties. Only a small portion of recreation fee revenues are returned to the site in which they were collected.

Another example involves legislation authorizing the USDA Forest Service to return 25 percent of recreation fees to the state in which they were collected. While this provision was retained in the original fee demonstration legislation, subsequent amendments removed the base year, implying that these receipts will not be included in the 25 percent payments to states in FY 1998. It would be helpful to the agencies if any future fee legislation clarified how fee revenues are intended to be coordinated with other laws.

**Take into Account Implementation Time**

The implementation of new fees in sites that have not collected fees in the past often requires substantial local planning, assessment of comparable fees in the vicinity, assessment of the elasticity of prices at the site, public involvement, public information efforts, new procedures for cash management and personnel safety and accountability, and capital construction of access and fee payment facilities. Congressional requirements for reporting and for revenue targets should take into account these startup times and startup costs.

**Consider Broadening the Fee Demonstration Effort**

The fee demonstration program applies only to recreation fees. Of all the fee programs in which the agencies currently engage, there are those that clearly can be designated recreation fees, and clearly those that are not recreation fees. In the middle are a number of public recreation activities for which the agencies currently collect fees, but which may appear to be outside the scope of the Recreational Fee Demonstration Program, such as ski area special use permits, and permits for outfitters and guides. Using fee revenues from these recreation-related activities for on-the-ground permit administration facility and recreation enhancements could yield benefits for the recreating public. Consideration might be made to applying the Recreational Fee Demonstration Program more broadly so that it encompasses recreation-related fee programs currently that currently may be outside the scope of the program.

**STATEMENT OF MYRNA E. JOHNSON**
**DIRECTOR OF GOVERNMENT AFFAIRS**
**OUTDOOR RECREATION COALITION OF AMERICA**

**House Subcommittee on National Parks and Public Lands**
**House Resources Committee**

**Oversight Hearing on Fee Demonstration Programs**
**February 26, 1998**

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Mr. Chairman, I am the Director of Government Affairs for the 1000 member Outdoor Recreation Coalition of America (ORCA), a trade association for the $5 billion human-powered outdoor recreation industry. ORCA members are manufacturers, suppliers, retailers and distributors of hiking, backpacking, climbing, kayaking, canoeing, and nordic skiing equipment and recreation providers like climbing gyms and university-based outdoor recreation programs.

ORCA applauds you for working with the Interior Appropriations Subcommittee to implement the recreation fee demonstration program. ORCA members have been keenly interested in the program for two primary reasons: 1) A quality outdoor recreation experience requires more than the right equipment -- beautiful surroundings and well-maintained trails, trailheads, restrooms, and parking areas are an even more essential part of the experience. Trail maintenance backlogs and low recreation management budgets are of great concern to us, and the fee program can potentially help with some of these funding problems. 2) We believe the demonstration program will answer key questions: what kind of new fees are outdoor recreationists willing to pay? and what impact do higher and new user fees have on the numbers and types of recreation visits made by the American people?

ORCA is generally supportive of user fees if fees are reasonable, if they stay with the resource that collects them, and if they supplement rather than supplant current funding. However, we believe strongly that fees should not become a barrier to the outdoor experience. We have supported the demonstration fee program because for the first time fees would stay where they are collected, benefiting the user who paid the fee, and because the program could answer questions about recreationist attitudes and behavior toward fees. We have seen both successes and problems in execution of the fee program, and believe the agencies will learn more in the next two years of the program.

However, it is not yet time to make the program permanent. The interim report is largely based on unscientific surveying and leaves many questions unanswered. One season simply is not enough on which to base a permanent fee program. We urge the Committee to wait at least until the March 1999 report, and perhaps until the agencies have implemented the demonstration program for three summer seasons (through 2000), to consider making the fee program permanent. Because the 3-year program did not begin until last summer,

Congress should re-schedule the final report for March of 2000, with another interim report in 1999.

We urge the Committee to work with the agencies to ensure that user concerns are addressed and innovative programs are tested in the demonstration period, and that key information is collected in the evaluation process each agency has slated for this year.

## USER CONCERNS

**Multiple fees.** The entrepreneurial spirit engendered by the demonstration program has sometimes led to an excessive number of fees in one area, park or forest. In some forests and National Parks, a recreationist could pay an entrance fee, a backcountry or climbing permit fee, a trailhead fee and/or a parking fee. The nickel and dime approach is not appreciated by recreationists. We encourage the agencies to carefully choose fee collection areas, and to more thoughtfully implement the "user fee" portion of the program. Convenience and unobtrusiveness should be goals of implementing the fee program. In general, a recreationist should have to pay only once to participate in an activity on any given day.

**Local and frequent users of public lands.** Some recreationists with federal public lands in their back yards have found that the area where they recreate every weekend now requires a fee. These frequent/local users should have options for bulk discounts and/or other creative fee options.

**Certain users hit hardest.** In some areas, certain easily identifiable user groups, like climbers or kayakers, have been selectively targeted to pay fees. It is imperative that fees paid only by specific user groups not be used for general recreation maintenance or improvements. If specific user groups are targeted for fees, then it is crucial that moneys generated through these fees be devoted to projects benefiting the fee-paying user groups.

## INNOVATIVE PROGRAMS

**Fee coordination among agencies.** This summer, I vacationed in the Black Hills with my family. In one day, we paid Forest Service, state park and National Park fees. In places where many different agencies have adjacent lands and provide recreation opportunities, I would encourage demonstration projects where one or two fees are collected, but are shared by all of the agencies serving the area.

**Local resident and frequent user programs.** Programs designed to make it easier for local recreationists to play in their back yard should be implemented. Free passes for volunteer work, discount passes for several days of use, and seasonal and weekend/weekday fee approaches should all be considered.

**Regional passes.** Regional passes encompassing several forests or forests and BLM lands and National Parks, should be tried to best accommodate local and/or frequent visitors of an area.

**Low-Income programs.** Agencies should develop ways to ensure that fees do not prevent low-income users from enjoying the outdoors.

## EVALUATION

The evaluation of the demonstration program is crucial for developing a permanent fee program. The evaluation should establish

- the cost-effectiveness of various types of user fees;
- which type of fees and under what conditions outdoor recreationists are most willing to pay;
- which type of fees and under what conditions outdoor recreationists are less or unwilling to pay;
- how fee programs have affected local and frequent users of public lands
- how fee programs have affected overall use of specific areas. If some areas have seen reduced use, is this because of the fees? How could the fee be changed to reverse this effect?
- are there situations where users paid more than one fee (e.g., entrance and user fee) to participate in an activity? How can that be remedied?
- have fee programs resulted in situations where families or individuals were financially unable to enjoy a certain park or trail or forest?

In addition to self-select surveys at fee sites, we believe it is very important to randomly sample users at fee sites, and develop scientific measures of user attitudes and behavior surrounding fees. Feedback at forums we have held on the recreation demonstration fee program and calls into the ORCA office indicate that it is very important to involve local residents and frequent users in the evaluation. Ultimately, these users will be the most vocal supporters or opponents of the program. It is imperative that the programs serve and are supported by these users.

We also encourage the agencies to look at areas where fees coincided with reduced use and evaluate why.

## COMMUNICATING WITH USERS

Those paying fees must receive more information about why they are paying them and what they will receive in return. Agencies should invest fees in projects which will most benefit the fee-paying public, and then communicate effectively to users those benefits.

## FEE PROGRAM GOALS

In their progress report, the agencies expressed questions about the goals of the program, and listed several potential reasons to implement new fees. When the Committee moves forward with permanent fee authorization, the goals of the program should be refined. There may be many reasons for setting fees, but we do not believe the primary purpose of a new fee should ever be to limit or deny access for an authorized recreational use of an area or park. While fee schedules might encourage users to shift when or where they recreate, it should not be a goal to use fees to curb or eliminate authorized recreational uses of an area.

Thank you for holding this oversight hearing. We look forward to working with you when you move forward with permanent recreation fee legislation.

## WHITE MOUNTAIN NATIONAL FOREST PARKING FEE PROGRAM

- The White Mountain National Forest (WMNF) has a long tradition of public access. People understand the need to pay user fees where there are significant amenities (campgrounds, ski areas, beaches with lifeguards). But to pay to walk in the woods, fish a stream, or launch a boat (especially when you have paid for a fishing or hunting license) goes too far!

- There is a fundamental difference between a national forest and a national park. The WMNF is the former, not the latter.

- The federal government has repeatedly failed to fully fund the PILT (Payment in Lieu of Taxes) program to area towns.

- Many area towns provide services to the WMNF (including police and fire) for which they receive no reimbursement.

- The parking fee program is a new federal tax and represents a form of triple taxation on North Country residents: (1) new parking fee.
  (2) failure to fund PILT program increases local property taxes, and
  (3) people are paying plenty of federal taxes already.

- The parking fee system was poorly conceived and implemented with inadequate public input.

- The WMNF officials have consistently understated the costs of implementing and enforcing this program. There are simply too many access points to the WMNF. Forest rangers have better things to do than leaflet cars in parking lots.

- The WMNF has been very reluctant to provide information on the costs of implementing this program and, when they do, the figures are not always accurate. (In a 12/29/97 letter to Congressman Bass, the WMNF admitted to "confusion" at the October hearing in Conway and stated that the, "information we provided to the field hearing was wrong.").

- Stated purposes for which the money will be used have been contradictory. Is it for new programs? Project backlogs? Keeping staff employed?

- The WMNF has experienced a significant drop in their budget (from $13 million in 1993 to $8 million in 1997). It is questionable, however, if the fee program revenues ($430,000 through 12/2/97) will significantly improve the situation given all the costs of implementing and enforcing the program.

- The North Country residents and towns have long had a positive relationship with the WMNF. There is concern that the ill will resulting from the fee program will have a negative future impact.

- A strong WMNF is vital to our state's quality of life and tourism and forest industry economy. We need to step back and take a "big picture" look at the operations of the WMNF to ensure its future vitality.

Wendy Colby
248 NW Wilmington Ave.
Bend, OR 97701

March 10, 1998

James Hansen, Chair
House Subcommittee on National Parks, Forests
and Lands
814 O'Neill House Office Building
Washington, DC 20515

Dear Mr. Hansen,

I am opposed to the premature action to make the Demonstration Recreation fee permanent. If the original time frame is not observed and the merits and shortcomings examined, then it would not be a demonstration at all. There has been much opposition to the program. It appears that this has not been taken into account, when the proposal has been made to make the fee permanent within the first year. To truncate the thirty month 'experiment' after one season would eliminate the majority of the data. If the justification for terminating the 'demonstration' aspect of the program is that it was ill-conceived in the first place, then the program should be terminated, not made permanent before it is fully analyzed.

The collection of user fees at my local recreation area, the Deschutes National Forest, is repugnant. Various trailheads and river access points have casually been used by locals for decades for recreation purposes. The main feature of 'The Central Oregon Lifestyle', which has attracted much growth and development in the past two decades, is the convenient access to outdoor recreation. It is one thing for tourists to pay an additional $3 to take a hike when they come for the weekend. It is quite another for the many active locals who recreate several times a week, to know that they have to pay every time they hike, jog, fish, kayak, mountain bike, ski, snowshoe, etc.

If my taxes currently support the stewardship of the NFS and BLM, then I shouldn't have to pay additionally for low-impact use of my public land. My foot-power use of the land should not be penalized, when subsidies are given to logging, mining, and grazing interests, which cause damage. Your subcommittee should be advising Congress to appropriate more funds to support the federal public lands. This voter and taxpayer believes it is Congress' duty to support the maintenance of our public treasures, and that citizens shouldn't be penalized for access to them.

Please make this letter part of the record of the oversight hearing regarding the Recreation Fee Demonstration Program.

Sincerely,

*Wendy W. Colby, Ph.D.*

Wendy W. Colby, Ph.D.

**OVERSIGHT HEARING ON THE RECREATION FEE DEMONSTRATION PROGRAM**

**SUBCOMMITTEE ON NATIONAL PARKS AND PUBLIC LANDS**
**CONGRESS OF THE UNITED STATES**
**U.S. HOUSE OF REPRESENTATIVES**

**Written Statement of the Colorado Mountain Club**
**by**
**Heide Andersen, Conservation Director**
**March 12, 1998**

On behalf of The Colorado Mountain Club (CMC), I would like to thank Chairman Hansen and the Subcommittee for the opportunity to comment on the Recreation Fee Demonstration Program.

The CMC is Colorado's largest conservation and recreation organization, with over 10,000 members. The CMC was founded in 1912 for the purpose of establishing Rocky Mountain National Park and from that time has been focused on introducing people to and educating them on backcountry recreation as well as conservation of the alpine environment.

**The Colorado Mountain Club supported implementation of the Recreation Fee Demonstration Program**

The CMC recognized the need for developing a concept such as the Fee Demonstration Program and supported its implementation. The land management agencies that oversee our public lands and recreation opportunities have clear funding shortfalls. For example, the National Park Service faces a $4 billion backlog of maintenance, infrastructure, and resource management needs and the Forest Service backlog in the same areas is approximately $818 million.

It is ironic that with the escalation in popularity of outdoor recreation, the increases in the numbers of people recreating on our public lands, and the related resource impacts from such use, that there is simultaneously a decrease in the Congressional appropriations to the agencies responsible for managing these lands and uses. Nearly 189 million people participate in human-powered recreation alone, not to mention motorized and other more industrial recreation that occurs on public lands. Yet, in response to such trends, the Administration has requested that the Forest Service budget for Trails Construction and Reconstruction be cut in half for Fiscal Year 1999.

In addition to recognizing a need for supplemental agency funding, the CMC also supports many of the attributes that were established in the inception of the Fee Demonstration Program. Although recreational fees have been collected on public lands from as early as 1918, the revenue generated usually went back to the U.S. Treasury for

general administration. Any revenues generated under the Demo Program are intended to be directed to the units that collected the fees for the maintenance and improvement of those sites specifically.

Another positive attribute of the Demo Program is that it encourages a creative look at public lands funding. The program utilizes a combination of fee collection methods as a test to determine which are most effective under different management and recreation use scenarios. For example, fees are collected through entrance stations, voluntary payments, automated payment systems, "iron rangers", mail payments, volunteer collectors, management staff, or through sticker permits. Through this mechanism for funding support in the face of their budget crises, the agencies are given an opportunity to work creatively with the public to generate necessary revenue to restore and enhance degraded resources.

**The Colorado Mountain Club can not support permanent legislation at this time.**

When the Recreation Fee Demonstration Program was established, it was intended to be a pilot program, experimenting with the concept of fees in general and the different means for collecting and utilizing them. For this reason, the Demo Program should be allowed to run its full three-year course.

The three-year test period will be necessary to adequately evaluate the Demo Program in general and the projects that it established. Currently the methods of evaluating the effectiveness of agency implementation, the success of individual demonstration programs, or the positive or negative impacts the Program is having on the general public, have not been clearly defined. Some agencies plan to evaluate their implementation internally, whereas others intend to have the evaluation contracted out to academic or other objective entities. In addition to a lack of adequate review and evaluation mechanisms, only one comprehensive status report has been prepared and submitted to Congress by the participating agencies. Clearly we are not ready at this point to make judgements regarding the permanent establishment of the Demo Program without the necessary supporting evidence.

Even with the lack of formal evaluations, it is clear that the following issues and problems need to be resolved before the Demo Program becomes permanent:

<u>Confidence in achieving the Program's mission</u>

- Although the majority of fee revenues are intended to stay on-site, many of the funds have not yet been used. It is difficult to feel confident yet that the revenue expenditures will in fact go back to benefit the users that are paying the fees.

- No assurance has yet been established that a successful fee program will not translate into reduced general appropriations for the land management agencies.

Collection methods

- Because part of the Program is experimentation with different types of collection and compliance methods, a comparison and evaluation of them will be necessary what is most appropriate for each individual project.

Administration

- The accounting systems resulting from the implementation of these programs tend to be onerous tasks for the units implementing them. For the majority of projects, extra time and effort are necessary for accounting purposes, yet additional personnel are not often assured.

- There is a delicate balance between reducing collection costs and achieving a reasonable rate of compliance with the programs, so means of minimizing the costs of program start-up and administration must be carefully evaluated.

Public Involvement

- There is still a tremendous need to improve the public education, involvement, and support of the Demo Program. To gain public support, more effort needs to be directed at informing people with regard to the direction of the funds, as well as providing sufficient notice and signage on fee collections.

Fee Overlaps

- The issues of fee overlaps have not been resolved. In some cases, users encounter multiple layers of fees within one management unit. For example, on Mt. Shasta, there are camping, trailhead, and peak fees that a climber will encounter. This type of situation discourages use and compliance.

- In other cases, fees may not be coordinated among different agencies managing similar resources. For example, mountain climbers may soon face fees at not only Mt. Rainier and Mt. Shasta, but also Mt. Saint Helens. The concept of offering a Cascades Volcano Permit that would enable climbers to pay one annual fee for climbing any of these peaks should be further investigated.

Convenience

- There are still many problems with implementing fee collection programs that are simple and convenient. Users will often encounter a variation in daily fees, based on the day of the week or season, or differences in how the fees are determined (by individual, group, or automobile). Fees collection sites, particularly for backcountry use, are often unclear or inconvenient. These situations not only create administrative complexities, but discourage compliance and user support for the programs.

**The Colorado Mountain Club will continue to support a Recreation Fee Demonstration Program**

The CMC will continue to support a Demo Program that addresses the aforementioned issues and incorporates the following concepts:

1) Users should have input into decisions on the planning, implementation, and assessment phases of any particular program. In particular, the public should have sufficient notice through educational efforts and signage far in advance of program implementation and be involved in decisions regarding the expenditures of fee revenues.

2) Fees should be imposed in an equitable and broad-based fashion, not singling out specific user groups (such as climbers, equestrians, bicyclists, or kayakers) purely because they are easy to identify or control. Special user fees are only appropriate when they specifically benefit a particular user group or if they are being used to mitigate for the impacts incurred exclusively by a particular group.

3) Fees should stay on-site and have the support of and be linked to the user group paying the fee.

4) Fees should not be used to fund general operations or to offset general appropriations.

5) Fees should be flexible and convenient (such as collection sites at convenient locations and times). The use areas, services, or activities for which a fee is being charged should be clearly delineated or defined. The fees themselves should be simple, with uncomplicated formulas (i.e. a simple daily fee for each vehicle coming into a parking lot)

6) Fees should be coordinated within and among managing agencies. Within each agency, the program should be seamless, so as to avoid multiple layering of fees. Where appropriate, regional agency or interagency permits should be available for use similar resources in a defined area (such as peaks, volcanoes, or canyonlands).

7) Fees should encourage continued and increased volunteerism. This could be done through programs such as fee waivers for volunteer labor or services.

8) Fees should be used as a tool to reduce the backlog of trails and facilities maintenance and not be simply instituted to reduce overcrowding.

9) Most importantly, fees should not create economic barriers or preclude the enjoyment of our nation's wild places by lower income individuals.

The Colorado Mountain Club believes that the Recreation Fee Demonstration Program is a worthwhile experiment for addressing the funding shortfalls in maintaining our nation's

public lands. We feel, however, that there are still many questions and issues that remain to be addressed. For this reason, we encourage Congress to allow the Program to run its full course and carefully evaluate its status along the way.

Thank you for the consideration of our comments.

**Statement**
**by**
**The Honorable George Radanovich**
**before the**
**House Committee on Resources**
**Subcommittee on National Parks and Public Lands**
**on**
**March 12, 1998**

Mr. Chairman -- Thank you for holding this hearing on the important issue of concession reform within the National Park Service. I appreciate this time to share my thoughts on this subject.

I represent the Nineteenth Congressional District of California, which includes Yosemite, Kings and Sequoia National Parks. The subject of concession reform is of major concern in my district. My highest priority is to ensure the public is given quality services at each visit to their National Parks. Concessionaires take on a significant role in the preservation of our National Parks, and their stewardship role is key to the health of the parks, which must be maintained for future generations to enjoy.

On the issue of concession reform, I support the repeal of preferential renewals in the Concession Policy Act. This method is currently used to determine how a concessionaire is awarded a contract. The competition of contracts through an open bidding process gives the parks an opportunity to freely explore options, rather than being locked into a particular concessionaire. During this process, prospective concessionaires must demonstrate their professional qualifications to allow parks to choose the most viable option. At the same time,

the National Park Service can take into account performance factors for contracts of lesser value to increase their competitiveness. The public would be better served under this reform of the Concession Policy Act.

I want to be sure these issues are considered as concession reform is discussed. I look forward to working with my colleagues to seek the best solution for concessions in our nation's National Parks.

Thank you, Mr. Chairman, for the opportunity to share my views.

James Hansen, Chair
House Subcommittee on National Parks, Forests and Lands
814 O'Neill House Office Building
Washington, D.C. 20515

3-11-1998

Please enter this letter into the Official Hearing Record concerning the Recreation Demonstration Fee Program.

I oppose this attempt to implement permanent trail fees. If the Hearing Committee feels compelled to make a premature decision regarding the Demonstration Fee Program, it should choose to cancel it.

When Congress force-fed these fees to the taxpayer it was termed an "experiment". 30 months were allocated to receive public input and to gauge the program's success. It is my opinion that further public input is NOT wanted, and this is the driving force to reduce the experimental time frame.

The Cost-Share-Partnership between the U.S.F.S. and the American Recreation Coalition in the Demonstration Fee Program is questionable, to say the least. The American Recreation Coalition, with its pro-motorized agenda has no business assisting the U.S.F.S. in implementing a fee program primarily targeted at muscle powered recreactionalists, let alone helping to determine its success.

Congress currently provides enormous subsidies for logging, grazing, and mining interests. It is an insult for Congress and the U.S.F.S. to view me as a "customer" from which to extract additional funding. These lands are OWNED by me and my fellow citizens. If money is needed to fund public land management, Congress must first charge the "High-Impact, For-Profit" user groups. Only afterwards can it even consider imposing a USER TAX on the lowest impact group of all: the hikers.

Please reject the permanent implementation of user fees, and instead provide proper funding to the U.S.F.S..

Sincerely, Dale Neubauer

Dale Neubauer
62888 Montara
Bend, Oregon 97701

03/11/98 WED 11:11 FAX 541 383 6824 AIR LIFE OF OR.

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Dr. Reed Noss
James Redfield

February 23, 1998

Congressman James V. Hansen
2466 Rayburn House Office Building
Washington, D.C. 20515

Re: Subcommittee Hearing on Recreation User Fees

Dear Congressman Hansen:

On behalf of Wild Alabama, the Alabama Wilderness Alliance and thousands of their members who use the national forests, wildlife refuges and other federal public lands of Alabama and the Southeast, I wish to submit comments to you subcommittee on recreation users fees on public lands.

As long as timber companies get financial subsidies to destroy my public lands, I do not think I should have to pay twice to use them. I pay taxes, and I should not have to pay user fees to do no damage to the land when others get paid to destroy them.

We oppose any attempt to make recreation user fees permanent at this time, rather than wait for the current "demonstration program" to run its course and generate public comment. As U.S. citizens we have already paid taxes for professional management of our public lands.

Once fees are implemented, history shows they increase over time. While these fees may not seem excessive to some now, we have watched fees at other sites, i.e.. National Parks, double in one year. We believe it is the right of all Americans to have free access to these lands, not the

right of only those who can afford to pay fees.

We believe it is unlikely that the fee program will benefit public lands. History shows fees such as these returning to the general fund once such a fee program is established. Despite claims that that money will return to the site where it was collected, Congress historically cuts the agency's operating budget by the same amount as the amount of fee money returning to the site.

We oppose plans to charge users of backcountry and undeveloped areas to pay for development of campgrounds and "front country" they may have no intention of using. We believe that Congress should re-evaluate its priorities and allocate sufficient funds for the proper management of these cherished resources, held dear to all Americans.

We are also concerned with the current move to "industrial strength recreation" and the trend toward "commercialization, privatization and motorization" of our public lands, as opposed to maintaining them in their natural conditions. I have personally seen the taxpayers ripped off for millions of dollars in just one golf course project here in Alabama where public old growth forest was stolen for private development. The return to the U.S. taxpayer in exchange for a magnificent piece of public property worth at least $15,000,000? Nothing, not one cent.

I have visited your Web site, and I thank you for your support of more Eastern Wilderness. Studies have shown that wilderness areas in the crowded East generate large amounts of tourism revenue and create good, permanent jobs. One of my main clients runs the Warrior Mountains Trading Post near the Sipsey Wilderness in the Bankhead National Forest in Alabama. That wilderness has meant jobs and money for him and the local community far beyond what logging the same areas ever meant. Creating more wilderness areas in the Bankhead will mean more jobs and money for that community. But until the terribly destructive logging and mining practices end in the Bankhead, the real economic boon that forest can mean for Alabama and the nation will never be realized. And when people go there, see the massive destruction of their old growth forests and then are forced to pay money to just hike for a few hours, they really get incensed. Driving through clearcuts for miles and miles just to be made to pay a fee for a hike in the Sipsey Wilderness tells me one thing: my current fees (tax dollars) are being wasted. Why should I pay again?

Many thanks.

Sincerely,

Ray Vaughan

3550 Foothill Blvd.
Glendale, CA 91214
800-339-2097 Ext. 215
818-957-4435 Fax
75640.3531@compuserve.com

***Via FAX: 202-226-2301***

February 24, 1998

Chairman Jim Hansen
Subcommittee on National Parks and Public Lands
814 O'Neill House Office Building
US House of Representatives
Washington, DC 20515

**Reference: User Fees**

Dear Chairman Jim Hanson:

I would like to thank you for holding the hearing on Thursday, February 26, 1998, on the important issue of Fees. **I would like to request that this letter be entered into the Official Congressional Record on this subject.**

When Congress first developed this demonstration program. We, the Off Road Vehicle users of California, were completely opposed to any fee. This was because we already pay a fee through taxes, and then again through our Off Highway Vehicle program in California. This program is known as the "Green Sticker " Program. We then stated we would support the fee as long as it is applied to all citizens utilizing the Public Lands. We who already pay twice would consider our "Green Sticker fee" as having previously paid in full at the beginning.

During your hearing, I would like to again express our opinion that we are not against a fee, as long as it is applied *to all those utilizing the Forest Service.* Those organizations, such our OHV program, who contribute millions to the public lands via grant process would be given credit as having paid our fee under existing programs.

We also are very concerned that this "Fee" program is not going to work, even if you convince the environmental communities, who are fighting this, that it is a good thing. If you do not continue the federal appropriations to the United States Forest Service and the Bureaus of Land Management at the 1995 level of Funding it will not work. If Congress continues to cut down their appropriations because of the implementation of a "Fee"

Program, you will have defeated the purpose of the fee in the first place. The purpose was to augment the budget of these agencies so that they can start cutting down the back log of work on our public lands.

Our public lands are very important to us for recreational purposes. Congress's acceptance that all types of Recreational opportunities of the American Public is one of the most important ingredients for the well being of the human being.

Sincerely yours,

Edward H. Waldheim
CORVA President

cc: OHMVR Commission and Staff
OHV Leadership
CORVA Board Of Directors

FOR THE RECORD

Box 24
Twisp, Wa. 98856
March 1, 1998

Subcommittee on National Parks and Public Lands
2466 Rayburn
House Office Building
Washington, D.C. 20515

Dear Mr. Hansen and Subcommittee Members:

As a teacher in our public schools and as an individual, I wish to object to the Recreation Fee Demonstration Project now being conducted on our public lands, and especially to the movement to make those fees permanent before the end of the three-year experimental period originally planned by Congress. I request that my comments be made a part of the public record for your hearings on this issue.

I teach in a rural community in which there are many agricultural workers employed in the apple industry. The average income is very low, and for some of these families the opportunity to recreate on our public lands is virtually the only affordable entertainment the whole family can enjoy. In fact, there is one family with four children in particular I wish to tell you about. Both parents are disabled, the husband due to an accident at work and the mother due to an undiagnosed illness which has left her in a wheelchair. All of the children are honors students, especially well-mannered, and very interested in nature and the environment. They live in a tiny trailer near our school. For years the family has camped together, but this summer for the first time they did not - because they could not afford the $25 season pass. We cannot hope to create leaders for the future who are truly knowledgeable about the environment and the possibilities for protecting it if we discourage or prevent them from experiencing the natural world as children.

Here in the Okanogan National Forest it was stated by the Forest Service that no one would go without a pass because of economic difficulty. I personally made several inquiries as to how the pass could be worked off and each time was told that it would be advertised in the newspaper. When the article finally appeared, people were required to be signed up within the following two business days, and there were only three days designated during that summer for which a person could sign up to work. Furthermore, people were required to drive miles out of the way to fill out paperwork in the district office before driving to the remote work-site. So at a rate of "pay" equivalent to approximately $3.00 per hour, they were required to spend a substantial amount on gasoline to get there. This is disrespectful of our citizens who have difficulty paying.

Not only do I object to the manner in which the program is being conducted, I strenuously object to the idea of the user fees in general, which destroy our national heritage of free and open access to public lands for any citizen. What can be more basic to our rights as Americans than to walk upon the good earth in the land our

forefathers died to protect ?

I find just as disturbing the involvement of the American Recreation Coalition and the separate MOUs into which the USFS has entered with individual members of this coalition. We have strong opposition locally to the agenda that is clearly indicated here, which is a movement toward privatization, commericialization, and motorization of our American public lands.

Thousands miles of trails were constructed in our National Forests and other public lands during the 1930's and during subsequent years and have been maintained by the responsible agencies until just recently. Many of these trails were constructed during a time when there were far fewer people paying taxes than there are now to share the burden. The USFS budget is miniscule compared to such items as the military budget and "corporate welfare" donations by the government to various corporations. It is absurd to say that the government needs to discontinue its support of the Forest Agency or BLM or Fish and Wildlife because maintenance of trails and other recreation are too expensive to continue. People do not believe that, including me. It is a matter of priorities.

The philosophical basis of the user fee idea is flawed. Under this philosophy, I should not have to pay taxes for schools because I have no children. Federal highways would be toll roads. Public libraries would charge user fees. Victims of crimes would pay for investigations necessary to find criminals who had victimized them. Those who benefited from medical research would reimburse the institutions for their work if they wanted a cure. Public universities would be funded entirely by the students. US reisdents of foreign countries would pay for help or protection by U.S. embassies or military. Users pay: is this really a philosophy to which Americans subscribe?

Congress must pause to consider the matter of citizens of our country trusting their government. This, I would think, is basic to a democratic society or a republic such as ours. Yet we see the government behaving time after time in a manner that is not in the public interest, not trustworthy, and not truthful. For example, when Congress first instituted user fees in the National Parks it was promised that most of the money would be retained on the Parks for needed maintenance. Two years later, the increase went quietly back to the general fund. Betrayed were the many park rangers who had convinced the public to pay because the money would be used to protect and maintain their favorite National Parks. Betrayed were those who had paid.

A government not trusted by its citizens cannot last. I am finding it more and more difficult to teach my students that our government acts in our interests and that our representatives really care about the common man who may have little to contribute in the form of campaign donations.

PLEASE DO NOT BETRAY THE PUBLIC INTEREST IN THIS ISSUE.

Sincerely yours,

Isabelle Spohn

Isabelle Spohn (89)