



File Code: 2720

Date: July 19, 2006

CERTIFIED – RETURN RECEIPT REQUESTED

Dear Permit Holder:

On October 11, 2000, the Cabin User Fee Fairness Act of 2000 (CUFFA) was enacted into law as Title VI of the Department of the Interior and Related Agencies Appropriations Bill for Fiscal Year 2001 (Pub. L. 106-291). The Act states two purposes: (1) To ensure that the National Forest System recreation residence program is managed to preserve individual and family-oriented recreation, and (2) To develop and implement consistent procedures for determining cabin user fees. Accordingly, the Forest Service developed draft regulations, directives, and appraisal guidelines for the management of the recreation residence program and published them in the *Federal Register* on May 13, 2003, for public comment and Congressional review. We received 950 comments and revised the draft documents, where appropriate, to reflect the comments and concerns that we received. The final regulations, directives, and appraisal guidelines were published in the *Federal Register* on April 3, 2006, and became effective on May 3, 2006, 30 days after publication. You may view the *Federal Register* notices via the Internet at <http://www.fs.fed.us/recreation/permits/>.

The major provisions of CUFFA are:

- Establishment of a base annual fee that is five percent (5%) of the appraised market value of the fee simple estate of a typical lot;
- Clarification of the requirements for conducting appraisals;
- A shortened appraisal cycle from the current twenty (20) years to ten (10) years;
- An initial transition of two years from the effective date of the final regulations, directives, and appraisal guidelines (ending May 2, 2008) to fully implement new base cabin user fees; and
- Direction for charging annual fees during the two-year transition.

As provided by CUFFA, recreation residence permit holders may exercise one of the three options listed below:

1. Establish a new base fee using the existing appraisal report (completed in 1997 on the Idaho Panhandle National Forests).
2. Conduct a new appraisal pursuant to regulations, policies, and appraisal guidelines established pursuant to CUFFA.
3. Commission a peer review of the existing appraisal report.



If, by the end of the two-year transition period (May 2, 2008), you have not requested one of these 3 options, we will automatically select option 1 and use the results of the last appraisal of your typical lot to determine what your base cabin user fee will be. Please note that there may not actually be a change in your fee, since we calculated the fee using the same formula established in CUFFA, and that when a new appraisal is completed by the Forest Service to meet the new ten year cycle (described below), your fee will change, if the appraised value changes with a new appraisal completed with CUFFA appraisal guidelines.

During the next few months, the Forest Service Washington Office will be providing specific instructions to local Forest Service units for determining fee calculations for requests received in accordance with one of the 3 options listed above and for fee calculations to use during this 2-year transition period.

Please note that if you decide to request option 2 or 3, the request must also be made by a majority (more than 50%) of the permit holders within your group of recreation residence lots represented by the typical lot included in the appraisal. This request must be made within the two-year transition (ending May 2, 2008) and must be submitted in writing to your District Ranger and signed by the majority of permit holders within your group. If a consensus is reached among the majority of permit holders within your appraisal group and you would like to request option 2 or 3, during the transition period, your group must collectively identify your choice to your District Ranger. If your group selects a new appraisal or a peer review, upon receipt of the written request, your District Ranger will provide the majority of permit holders in your group with a standard form to document each permit holder's agreement to pay their share of one half of the cost to perform the work for the new appraisal or peer review. Once the Forest Service receives the formal request, along with the signed agreements from all Holders in your group, your District Ranger will initiate a new appraisal or peer review. If you are considering option 2 or 3, in order to facilitate the process, as directed by the Implementation Regulations, upon request we will provide you with the names and addresses of all the other permit holders that are represented by the same typical lot as your lot, so your group will have the opportunity to collectively determine whether or not to exercise either of these options.

SOME INFORMATION TO HELP OUR HOLDERS ON THE IDAHO PANHANDLE NATIONAL FORESTS

- All of your typical lots on the Idaho Panhandle National Forests were last appraised in 1997. All Idaho Panhandle National Forests permit holders fees were based upon the results of those 1997 appraisals. These fees were implemented in 2000. This most likely means that your current base fees are already consistent with Option 1, however we have not yet received final fee calculation direction from the Washington Office.
- If you think that you might want to choose Option 2 or 3, which would require you to cover one half of the cost of a new appraisal or a peer appraisal review, as well as reach a consensus with a majority (more than 50%) of the other holders in your typical grouping, please read the next 2 paragraphs.
- Starting in 2007, the Idaho Panhandle National Forests will be beginning its ten-year-

cycle appraisals (as required by the new CUFFA regulations). The cost of these upcoming ten-year-cycle appraisals will be fully paid (100%) by the Forest Service. Once the results of these ten-year-cycle appraisals are completed and accepted by the Forest Service, holders will be given notification of the results one year prior to implementing new fees.

- You should consider whether to request a new appraisal under the 2-year-transition provision or just wait for the Forest Service to undertake the ten-year-cycle appraisal at no cost to you and within almost the same time frame.

If you have any questions regarding this notice or any of the processes, please contact your Permit Administrator, Debbie Butler at (208) 443-6822.

Sincerely,

/Dave O'Brien/ for

RANOTTA K. MCNAIR
Forest Supervisor

Cc: D. Butler