



COST RECOVERY

What is Cost Recovery?

The assessment and collection of fees from applicants for and holders of special use authorizations to cover administrative costs incurred by the Forest Service in processing their special use applications and monitoring their special use authorizations for compliance with their terms and conditions. Cost recovery fees are not land use fees, which are charged for the use and occupancy of National Forest System lands. Cost Recovery applies to all special use applicants with the exception of non-commercial group use and recreation special use applications requiring less than 50 hours to process.

What's the Authority for charging Cost Recovery?

On February 1, 2006 the USDA Forest Service published a final rule in the Federal Register for recovery of costs associated with special uses on National Forest System (NFS) lands. The regulations on Cost Recovery can be found in the Code of Federal Regulations (CFR) at 36CFR 251.58.

Why is there cost recovery?

1. To reduce the cost to the general public for the services of processing applications and monitoring authorizations sought or held by individuals or entities;
2. To provide equitable, consistent, and timely service to applicants and holders who pay for application processing or authorization monitoring;
3. To reduce average processing time for special use applications; and
4. To provide effective monitoring of special use authorizations.

Some Definitions:

Application: Request: request to use NFS lands *has passed initial or second level screening*; has been accepted as a formal application for further consideration: Environmental analysis is now required and to continue further processing Cost Recovery fees must be paid in advance.

Applicant: person or entity that submits a written application to use or occupy NFS lands

Holder: any applicant who has received a special use authorization

Land Use Fee: Rental fees for the use or occupancy of National Forest System lands based upon the fair market value of the rights and privileges authorized.

Major Category. A category for special use applications and authorizations that require more than 50 hours of agency time to process or monitor.

Minor Category. A category for special use applications and authorizations that require 50 hours or less to process or monitor.

Proponent: person or entity that submits a proposal to use or occupy NFS lands “prior” to becoming an applicant.

Proposal: written or verbal request to use NFS lands *has not passed initial or second level screening*; has not been accepted as a formal application. “prior” to becoming an application.

When does Cost Recovery apply?

Cost Recovery applies only to special use applications submitted and special use authorizations issued under **36 CFR part 251, Subpart B.**

Cost recovery fees are assessed before taking any of the following actions:

1. Monitoring of authorizations issued or amended on or after March 23, 2006.
2. Processing applications that were formally accepted on or after March 23, 2006, or that were formally accepted but not processed before March 23, 2006, for:
 - A new special use;
 - An amendment or formal approval of activities or facilities as identified in an existing special use authorization, operating plan, or master development plan; or
 - Issuance of a new special use authorization due to termination of an existing special use authorization, including termination caused by expiration, a

change in ownership or control of the authorized facilities, or a change in ownership or control of the holder of the authorization, even if the holder's existing authorization does not require submission of an application for a new authorization.

3. Agency actions to amend a special use authorization on or after March 23, 2006.
 - The applicant's responsibility for providing the Agency with all the information needed to review, evaluate, and make a decision on a proposal and an application.
 - Cost recovery fees are different from the land use fee which will be assessed when an authorization is issued.
 - Potential processing and monitoring fees.

Cost Recovery Requirements you should know about:

The authorized officer or case manager should inform proponents of potential cost recovery requirements during the pre-proposal meeting (36 CFR 251.54(a); FSH 2709.11, sec. 12.1). The potential cost recovery fees may be an important consideration for the proponent in determining whether to proceed with the proposal. ***With respect to cost recovery, the authorized officer or case manager should inform the proponent of the following:***

1. **The applicant's responsibility for providing the Agency with all the information needed to review, evaluate, and make a decision on a proposal and an application.**
2. **Cost recovery fees are different from the land use fee which will be assessed when an authorization is issued.**
3. **Potential processing and monitoring fees.**
4. That processing work conducted by the applicant or a third party contracted by the applicant minimizes the costs the Agency will incur to process the application and thus reduces the processing fee.
5. **That processing fees are not assessed until the Agency accepts an application and is prepared to process it.**
6. **That there is no guarantee that an accepted application will result in issuance of an authorization.**
7. That limited funds or personnel could delay processing of an application, particularly when it is exempt from or subject to a waiver of cost recovery fees and the customer service standards do not apply.
8. If applicable, use of a category 5 master or category 6 major cost recovery agreement for processing and monitoring.
10. The process by which an applicant or holder may dispute the processing or monitoring fee category or estimated fee amount determined by the authorized officer (sec. 27).

When a proposal passes all screening criteria, the authorized officer shall notify the applicant that the agency is prepared to accept a written formal application. The proposal must contain all information necessary to accept as a formal application. When the application is accepted, and the applicant wants to proceed with processing the application, the permit administrator will prepare cost estimates and any necessary agreements. Be sure to Review the cost estimates and agreements and confirm that you—the applicant, wish to proceed with processing the application before a bill for processing fees is sent to you.

Still have Questions???? Contact your Permit Administrator

Processing & Monitoring Fee Schedule
36CFR 251.58

Fee Schedule Changes Annually

Category	Hours	Processing Fee CY 2013	Monitoring Fee CY 2013
1	$>1 \leq 8$	\$117	\$117
2	$> 8 \leq 24$	\$410	\$410
3	$> 24 \leq 36$	\$778	\$778
4	$> 36 \leq 50$	\$1,108	\$1,108
5	Varies	As specified in the agreement.	
6	>50	Full reasonable costs for authorizations issued under authorities other than the MLA. Full actual costs for authorizations issued under the MLA.	